Chapter II

Literature review
CHAPTER – II

REVIEW OF LITERATURE

2.1 INTRODUCTION

The study aims at analyzing decision making process of purchase behaviour factors relating to pre-purchase behaviour, purchase decision and post purchase behaviour of broadband and wireless telecom services which influenced through subscribers’ satisfaction in Chennai city. The review of related literature had included pre-purchase behaviour, purchase decision and post purchase behaviour. In addition, the next section describes the theories of perception, attributes and loyalty. This chapter elaborated the reviews of the literature which had been used extensively in forming the thesis report. This chapter had been divided into different sections, which covering all the important aspects of the research subject.

2.2 PRE PURCHASE BEHAVIOUR (PURCHASE ATTRIBUTES)

2.2.1 Information Search

In pursuing the reasons behind the subscribers’ satisfaction response, it should be borne in mind that the researcher's goal was to determine the correct feature list of satisfaction drivers, as opposed to product or service choice criteria. In this process, when a subscriber started to leak information about the product or services, it has to be identified as the pre-purchase search since the subscribers had already identified the problem which they were trying to resolve. The subscribers’ on-going search helps marketers to capture their attention. Subscribers were exposed
to advertisement incidentally or deliberately, depending on the motivation to search information (Solomon, 2002 p. 241).

2.2.2 Reviews of Literature Related to Information Search

Venkatesh (2000) investigated subscribers’ in United States Government Accountability Office and had found that subscribers with higher income and college degrees were significantly more likely subscribe fixed broadband internet. The determinations of a longitudinal study using USA census data found a positive correlation between income and computer ownership socio-economic determinants. It also illustrated that male users used a computer more than females and indicated that the male gender was one of the most significant variables while examining PC adoption in the home. Later on further study was done by Blackwell (2001), demonstrated that the subscribers had undergone these five steps to process information during information search: exposure, attention, comprehension, acceptance and retention. Information search had been affected by environmental influences or individual differences. Environmental impacts were: culture, social class, personal influences, family and the situation, where the subscriber was influenced to these factors. Individual differences were: subscribers’ resources to spare for search, motivation to search, prior knowledge, attitudes, personality, values and lifestyle.

Porter (2001) had listed four advantages of cyberspace. Commencement was the easiest approach for price and product, which required related data through the net. Secondly, the ability to pool volumes of information in the internet when compared to the limited capacity in the physical world and then in internet reduced the transaction costs. Finally, through internet connected services products had been purchased more conveniently. Further, the author Rosen & Silverman (2001), had
illustrated that the subscribers were exposed to advertisements in their routine life like when they watch TV, while driving their cars, in public places, while listening to radio, walking in the streets, reading a newspaper and surfing on the net etc, these factors had influenced the subscribers. The quantity of exposure for ads was basically overwhelming. It was a common phenomenon to pull data together from trusted peers, consultants or experts especially before a major purchase was occurred.

Blackwell (2001) had explained that subscribers do not always trust the data supplied by the companies, because they believe advertiser pass information or exaggerate information that had benefitted the society. On the other hand, word of mouth was satisfaction approach to these subscribers, so people who participate can give their independent thoughts about how they feel about a product. Peterson & Merino (2003) had demonstrated about the internal and external search relating to each other. External information search process depends on computer storage (internal search). The relationship between both internal and external search was also iterative because external search that were swallowed and pass through the retention steps had been added to memory for future inquiry. Recovered data from memory had affected the attention, inclusion and acceptance steps of information process.

Quoting Kerstetter & Cho (2004) “people with a moderate level had become more involved in collecting the new data through their effort and time and they merely depend on prior experience, because they were relatively confident in their ability to access information.” Kotler and Keller (2005) considered, this stage as one of the important stages as the subscriber taking all the cases and alternatives also taken into account such as size, tone and its cost. Neal and Questel (2006) had stated that need recognition occurred because of several elements and circumstances
such as personal, professional and lifestyle, which in turn had lead to the formation of the idea of buying. Grant (2007) investigated the need of subscribers to satisfy their information requirement, which was relating to product knowledge that was the primary motivator for subscriber to search the information. Shaver’s (2007) had presented about the result as an information search tool, which support the ability of the internet. It had found that use of the net as an information source had been increasing, whereas, time spent with traditional media had been falling and subscribers considered that employing the internet to search for information even improved their decision making.

Horrigan (2007) had taken the intensity of online use was the critical ingredient in understanding the home broadband adoption decision and suggested the volume of internet employment was a function of broadband connection speed and years of online experience. The most recent survey had demonstrated that younger age, higher education and income and urban living share of the population had led to higher layers of broadband acceptance. Rose and Samuel (2009) had explained about the information search process which had been internal and external. While internal search is process in which subscribers relied on their personal experiences and beliefs. External search had involved wide search of information which included in addressing the media and advertising or feedbacks from other masses.

Jensen (2010) surveyed that nearly every one-fourth (24%) of adults who use the internet to research for the product and its purchase had left a comment or made online reviews about the product to share with others. According to Hampton (2011), 79% of Americans used the internet and 59% of them at least used one social networking website. Especially the amount of using social network sites had doubled among the adults from 2008 onwards; it was clear evidence for the purpose
of electronic social environments by the person’s improved network. Villain & Lee (2011) had discovered that the word-of-mouth was one of the most significant data and decision making tools, which exists in the cyberspace environment. One of the endorsements in advertising was other subscribers, because they were perceived as more credible and trustworthy.

2.3 SUBSCRIBERS’ PREFERENCE

Perceived value was defined as “the results or benefits subscribers who had received in relation to total costs which included the price paid, plus other costs related to the purchase or the subscribers’ overall assessment of what was obtained relative to what was broken” (Holbrook, 1994 and Zeithaml, 1988). Subscribers’ preference refers to how subscribers select goods and services in relation to factors like taste, preference and individual choices. An effective subscribers’ satisfaction survey program was conducted and it focused on measuring subscribers’ perceptions of how well the company gives up on the critical success factors and dimensions of the patronage. In such condition, behavioural and perceptual had affected the subscribers’ state of mind and volume of purchasing. The shopping experience influences on subscribers’ satisfaction and how they apply the product. A satisfied client is more potential to buy again.

2.3.1 Reviews of literature related to subscribers’ preference

According to Bateson and Hoffman (1999), the decision to purchase and use a service was attained in the pre purchase stage. Individual needed and outlooks were very important here because they had influenced what alternatives subscribers will see in it. The effects of service quality on subscriber decision-making appear to be mostly indirect and mediated by value and satisfaction. Solomon (2002) discussed that subscribers had chosen which product or service they decided to
purchase. The valuation of alternatives was processed through identifying the evoked set like products, memory had registered, inert set which were the alternative for a subscriber due to some reasons, which had not considered in buying and therefore qualified as an inert set; products that were not believed to be purchased at all.

Solomon (2002) demonstrated that subscribers had to weigh and measure which satisfied their need to the best. The market beliefs of subscribers were they generated better value for their money from certain stores or brands. Selecting the product usually required evaluating the options, yet this had been influenced by previous shopping experiences, beliefs about the product that advertisers had put forth and information given in it. Pakola (2003) had surveyed 397 Finish subscribers’ purchasing motives on one hand and factors affecting operator choice on the other hand and the result indicated offended price and other interrelated components were viewed as the most important in the choice of the mobile phone service supplier. Kesti and Ristola (2003) had investigated subscribers’ intentions to use different mobile services. The personal communication had differed from the person to person, in such way that the users could not test all these services in the field tests. The principal findings based on testing these mobile services proved that the perception of the users is to improve the services in future. These tests had regarded the guidance services to recognize the location of stores, public services, product search, etc., as the most significant as it follows various mobile advertisements and communication services.

Lee (2005) carried out study to learn the five phases of the subscriber decision making procedure in the case of China. The researcher focused on the facts that bear upon the subscriber decision making procedure of purchasing import health food products, in particular demographic effects such as gender, education, income and marital condition. An analysis of five phases of the subscriber decision making
process indicated that impact of family members on the subscriber decision making procedure of purchasing import health food products was significant. Blackwell (2006) had illustrated that it was one of the usual examples of subscriber decision making process had been offered by the author. He had explained about the five points of the subscriber decision making process, it was as given: problem/need recognition, data search, evaluation of alternatives, purchase decision made and post-purchase evaluation.

Krishna and Shylajan (2007) had stated that brand awareness and brand visibility play a significant role along with product features. It was concluded that for most of the products, brand awareness was a significant determinant for buying behaviour. Firms had to differentiate their offer that of competitor by providing something unique that was valuable for the buyer to influence them to pick out the product over others. Jiang Xin-Kuang, Chen Xu (2008) represented the surveyed impact preview of new telecom services tariff from the utility and the subscribers’ choice behaviour perspective had obtained the transfer probability of subscribers inside and the expected revenue variation. This work had found that the subscribers’ inside the network has no impact on the subscribers outside the network, who needs to take the new telecom services tariff. Hence the further study explores that new subscribers’ outside the net could be drawn towards these network based on new telecom service tariffs.

Variawa (2010) studied the influence of packaging on subscriber decision making process for Fast Moving Subscriber Goods. The purpose of the inquiry was to examine the impact of promotional material for decision making processes of low-income subscribers in retail shopping. The findings of the inquiry had suggested that low-income subscribers, which had more preferences towards premium packaging as this had also been re-applied after the merchandise had been
squandered. Nevertheless, it had been demonstrated by the findings of the research that low-income subscribers had greater brand experience from the purchase of ‘premium’ products when compared to their experience of purchasing ‘cheap’ brand products.

Sabbir Rahman, Ahasanul Haque and Mohd Ismail Sayyed Ahmad (2010) had presented that the aim of this report was to measure the elements that had played a significant role to select telecommunication service providers. From the outcome it was revealed price or call rate was the most important factor, followed by service quality, service accessibility and packaging. The findings of their study also assist mobile phone operator’s managers to invest their resources more efficiently; causing changes to crucial quality attributes that draw out the subscribers’ satisfaction level. Kamrul Hassan (2011) had target of preparing to see out the subscribers’ perception about the diversified product of these manipulators. The solution was found by the questionnaire survey having four parts, as subscribers’ perception on diversified packages, subscribers’ perception on call rate, subscribers’ switching, multiple SIM users, networks, satisfied subscribers of each operator and subscribers’ suggestion to operators. Yasser Khan, Sayed Fayaz Ahmed, Zahid Mehmood, Muhammad Khalil Shahid, Muhammad Ibrahim (2012) found that investigations were important for both subscribers and telecommunication service provider in order to make a strong relationship towards better delivery of telecommunication services which had resulted in satisfied subscriber’s. The outcomes of this research had numbers of practical applications, both for vendors and telecom service subscriber. Relative advantage in the research subject was a very important variable, it represented subscriber in Pakistan positively perceived the telecom services.

Kotler and Keller, 2012, it was one of the common views was that understanding subscriber behaviour had become a factor that bared a direct impact
on the overall performance of the businesses. It was worth noting that subscribers’
buying behaviour was considered every bit a component of the marketing and its
main objective it to ascertain the manner how the individuals, groups or
organizations choose, by use and dispose the goods and the factors such as their
former experience, taste, price and branding on which the subscribers base their
purchasing decisions.

2.4 PURCHASE ACCESSIBILITY (SUBSCRIBERS’ LOYALTY)

Subscribers’ loyalty was all about attracting the right subscribers’, getting
them to buy, buy often, buy in higher quantities and bring you even more
subscribers. However, that focus was not how to build subscribers’ loyalty. In the
domain of the consequences of satisfaction, a major concept was that of loyalty.
Brand loyalty was a deeply rooted commitment to repurchase a product service for
the future. These included repurchase intentions, recommendations, and word-of-
mouth. Subscriber loyalty statistics show referrals were one of the top ways to get
new business. If a subscriber delighted, he will talk about it with his friends, family,
and social networks. If a client was merely satisfied, he may not.

2.4.1 Reviews Related to Purchase Accessibility (Subscribers’ Loyalty)

Barich and Kotler, Nguyen and Leblanc (2001) discussed about study that
considered other factors influencing subscribers’ loyalty such as switching cost,
trust, relationship marketing strategies and complaint handling. Consequently,
corporate image as an attitude must affect behavioural intentions, such as
subscribers’ loyalty. Roberts (2003) had presented that six indicators were used to
measure subscribers’ loyalty share information, say positive things, recommend a
friend, continue purchasing, purchase additional service and test new services.
Ofir Turel, Alexander Serenko (2004) examined satisfaction and loyalty in regards to physical goods and some services had been studied to a great extent in marketing and information systems research. This investigation also suggested that there were some differences in service perceptions between prepaid and post-paid cell phone users. It was discovered that prepaid users develop a higher degree of perceived value of the received services. In fact, although prepaid users pay higher per-minute rates and had lower monthly usage and charges, they received the same quality of services. According to Anderson and Jacobsen (2006) subscribers’ loyalty was the result of an organization creating a benefit for a subscriber so they had maintained or increased their purchases. According to Seyed (2007), subscribers’ loyalty had been described as subscribers’ willingness to continue patronizing a firm over the long term, purchasing and using its goods and services on a repeated and preferably exclusive basis and voluntarily recommending it to friends and associates.

Eshghi, A. Haughton, D. Topi, H. (2007) had reported the results of research investigated on the determinants of the propensity to switch wireless service providers. They proposed an approach to estimating moderating effects on the relationship between satisfaction and subscribers’ loyalty. As Sudharshan (2010) had found, there was a positive relationship between subscribers’ satisfaction and subscribers’ loyalty, but this connection was not always a linear relation. This relationship depended on factors such as market regulation, switching costs and brand equity, existence of loyalty programs, proprietary technology and product differentiation on the industry level. Sudharshan (2010) had showed that subscribers’ loyalty was the result of subscribers’ satisfaction in the service offered by the company, found out that there was a positive relationship between subscribers’ satisfaction and subscribers’ loyalty but their connection was not
always a linear relation. They also had shown in different factors that affected the connection between subscribers’ satisfaction and loyalty.

Shahid Zaman Khokhar, Farooq Hussain, Tahir Masood Qureshi, Ibrahim Anjum, Ali Samranand Rizwan Arshad (2011) had researched about the exposed few results regarding Customer Service and Customer Leadership but still the scope of this study can be broadened by including more mediators like Perceived Service Quality (P.S.Q) and the word of mouth. And this is found to be collinear when it comes to the relationship of Customer Service – trust – Customer Leadership. Hence, it was tested in the scenario of Pakistani and in an atmosphere of Lahore the capital of the province of Punjab. Majed Radi Al-Zoubi (2013) had discussed about the prime objective of their study was to analyze the service quality effects on subscribers’ loyalty in the Jordanian telecom sector. The population of this study was’ (IT and MIS) university students. The study had found that Physical Appearance and assurance had no significant impact at level ($P \leq 0.05$) on subscribers’ loyalty in the Jordanian Telecom market.

2.5 PURCHASE DECISION (MOTIVES)

Subscribers make many buying decisions every day. Most large companies had conducted research on subscribers’ buying decisions in great detail to answer questions about; what subscribers buy? , where they buy? , how and how much they buy? , when they buy? And why they buy? Though the questions were set and straight forward, learning about the ways of subscribers’ buying behaviour was not as easy as the answers are often locked deep within the subscribers’ mind. In some cases the subscribers’ themselves were not aware of what exactly influence their purchases. There the buying decisions were made at unconscious level, which showed the vitality of a depth understanding prior to the next step, Kotler and
Armstrong, (2008). Analyzing subscribers’ buying motives had identified as a cornerstone of a successful marketing strategy. The factors which precipitated the buyer's motives and guided their final selection of the product had been perceived as best satisfying their purchasing needs.

2.5.1 Reviews Related to Purchase Decision

Sweet and Adamowicz (2001) had explained about the constructive view of decision-making differentiates between behavioural and normative decision theory. In reality, not all decision makers had well-established preferences. Hence, researchers argued that subscriber preference uncertainty leads to the contingent use of decision strategies. According to Udell (2001) had further demonstrated that in an attempt to present a classification of motives useful to business management, Copeland had proposed and separated them into two categories, rational and emotional: These motives had their origin in human instincts and emotions and represented impulse or unreasoning promptings to action. He had introduced a new classification of buying motives by dividing them into two extremes, those which were operational and those which were socio-psychological. He further explained about the operational buying motives as those reasons for the purchase that were directly related to the anticipated performance of the product and socio-psychological motives as reasons for the purchase that were indirectly related to the anticipated performance of the product and directly related to the subscribers social and psychological interpretation of the product.

According to Kaur and Singh (2004) some couples tend to carry their tradition into their lifestyle and at the same time bring that tradition into relationship thus affecting their behaviour in decision making. Traditional attitudes often acted as a standard to measure the role of male/female in making decision thus make the
decision making process less complicated. Siding (2004) traditional couples had clear, definite boundaries in making decision. However, modern couples often tried to create a balance situation in making decision or in other words, making decision through discussion which had led to a mutual agreement. According to Gitomer, (2004) quoted that “people don’t like to be sold, but they love to buy”. He argued that the least powerful way of completing a transaction is teaching sales people on how to sell and by knowing or without knowing it had been practiced for the last 120 years. As per the classification, subscribers’ buying motives consists of the following things such as Purchase – Oriented, Emotional - Oriented, Experience - Oriented, Profit or Money – Oriented and Result – Oriented factors. This further explains the reasons for purchase decision, such as history, past experiences, expertise, wisdom, need, want, desire to solve or resolve, desire to recover, desire to change, desire to own, the desire to win, passion, fear, greed, vanity, the desire to impress, peace of mind and desired outcome. Regardless of the prospect’s desire and motivation to buy, which had the reasons for selling to match the subscribers’ reasons and their expectation, in buying or in other words, it had motives with regards to any successful marketing attempt.

Jeffi Thomas and Rajen K. Gupta (2005) had attempted to identify that organizations adapt to those changing environmental realities. This had changed subscribers’ choice and permanently altered the competitive landscape of business across the globe. The shifts were from a good-cantered view to service cantered view and co-creating valued subscribers’ experience. According to Hemmingway (2006), skills and technologies were required to enhance the function of information in building the capabilities in order to improve the decision making process. Makgosa (2007) stated that the couples who had agreed to live together tend to make a decision that caused dissatisfaction to them compared to the married couples. In
the household decision making, the use of combination strategies in making a decision was more likely to be found rather than using just a single strategy.

Backhaus (2007) suggested that purchase decision, which was one of the important stages to refer for the occurrence of a transaction. In other words, once the subscriber recognized the need, searched for relevant information and considered the alternatives he/she makes a decision whether or not to make the decision. Purchasing decision had further been divided into planned purchase, partial purchase or impulse purchase. According to Kotler and Armstrong, (2008), subscribers’ purchases were influenced strongly by cultural, social, personal, and psychological characteristics. The cultural factor exerts broad and deep influence on subscriber behaviour. A buyers’ decision had also influenced by personal characteristics such as age, life-cycle stage, occupation, economic position, lifestyle, personality and self-concept. Psychological factors including motivation, perception, learning, beliefs and attitudes should also be taken as key concerns. The studies of the Carlsson (2009) had proved that wives were the most likely to make a decision and thus it had an effect of the household income, those wives were those who had a higher education level than the husband, as well as wives with a communist party membership.

Pride and Ferrel (2010) found motive was an internal energizing force that directed persons’ activities towards satisfying the needs or achieving goals. Buyers’ actions were affected by a set of motives rather than by just one motive. Motives also affected the direction and intensity of behaviour. Furthermore, motives had been explained as drives, impulses, wishes or desires that initiate the sequence of activities known as behaviour. P. Kannan (2012) presented the study, which focused on the activities and behaviour of rural people in using e-tailing. This study covered the Krishnagiri and Dharmapuri districts. This study also analyzed the preference
and behaviour of the rural people and their internet usage. The result had indicated the both the district rural people had positive E-S-QUAL gap score. Rural people’s exceptions had increased not only in the e-tailing but also in all services.

Christos K. Georgiadis (2013) identified the dimensions of mobile service (m-service) quality. Therefore, measuring the quality of the service experience included cues that happen before, during and after the e-purchase transaction. The tendency to conceptualize e-service delivery as a single, uniform activity had caused insights being drawn from and applied to incompatible circumstances. In order to deliver superior service quality, managers should firstly understand how subscribers’ perceived and evaluated the subscribers’ service. To that end, many researchers had analyzed many studies in order to present models. Tayyab Ali Baig, Bilal Ahmed Hashmi, Umar Farroq (2013) demonstrated about the exploratory and descriptive nature that correlated the selected general key performance indicators which were selected for the study that were directly affected and influence the telecom organizational performance, namely coverage, quality, availability, subscribers’ satisfaction and frequency of usage. They conducted statistical analysis and descriptive analysis to find the performance of the companies, the result they came to know that the quality of the companies was depending upon subscribers.

2.6 STABILITY OF PURCHASE (SUBSCRIBERS’ UTILITY)

Stability of purchase had described as the overall impression made on the minds of the public about a firm claim. It related to the physical and behavioural attributes of the firm, such as business name, architecture, variety of products/services, and the impression of quality communicated by each person interacting with the firm’s clients. Consequently, stability of the purchase as an
attitude had affected behavioural intentions, such as subscribers’ loyalty in broadband & wireless internet services.

2.6.1 Reviews Related to Stability of Purchase (Subscribers’ Utility)

Zeithaml (1988) found out that subscribers who perceive that they received value for money are more satisfied than subscribers’ who do not perceive they received value for money. Rust and Subramaman (1992), from the reviews, subscribers’ satisfaction had a direct effect on subscribers’ retention. Ovenden, (1995), to retain a subscriber, it was necessary to satisfy him. Satisfied subscribers’ was more likely to return and stay with a company than unsatisfied subscribers who had decided to go elsewhere. Desai and Mahajan (1998), subscribers’ satisfaction lead to retention and the retention was not simply because of habit, indifference or inertia subscribers’ retention was central to the development of business relationships and these relationships depend on satisfaction. Wilfert, (1999) stated that it was apparent from this review that one of the factors subscribers’ use to determine the satisfaction level was the benefits received for a product or service in comparison with what was spent. Perceived value was not a focus of this study. The suggested mobile service attributes (features) had been used to assess subscribers’ satisfaction in this study.

Eriksson and Vaghult (2000), subscribers’ satisfaction was an antecedent of subscribers’ retention. Subscribers’ satisfaction was a central determinant of subscribers’ retention. Teuton, Prahalad & Ramaswamy (2000) discussed about service quality had been given more and more attention for its specific contribution to the competitiveness of business and there had been a variety of studies on different issues concerning service quality over the last several years. The effects of service quality on subscriber decision-making appear to be largely indirect and
mediated by value and satisfaction. Gerpott (2001), subscribers’ satisfaction was positively related to subscribers’ retention and the effect varied by subscribers’ size and the subscribers’ current level of satisfaction.

Fecikova (2004) had conducted studies on the index method for subscribers’ satisfaction measurement with chairs in Slovakia and reported that the satisfaction of internal subscribers’ was one of the basic factors to satisfy the external subscribers. Turel and Serenko (2006) in their investigation of mobile services in Canada suggested that the degree of perceived value was a key factor affecting subscribers’ satisfaction. According to Kumar and Reinartz (2006), traditionally, subscribers’ satisfaction was a key mediator which led to greater retention or loyalty, in turn resulting in greater profit for a firm. However, these relationships were not always strong all the time because in different industries they depend on environmental factors, such as the aggressiveness of competition, degree of switching cost, and the level of perceived risk. According to Hoffman and Bateson (2006), subscribers’ satisfaction was a possible task in an organization. It included a wide range of improvements of activities such as quality of products and services, reasonable pricing, human resource development and in-time deliveries. Kalpana and Chinnadurai (2006) analyzed that the increasing competition and changing tastes and preferences of the subscribers’ all over the world were forcing companies to change their targeting strategies. The study revealed the subscribers’ attitude and their satisfaction towards the cellular services in Coimbatore city. Seth (2008) analyzed that there was relative importance of service quality attributes. This had enabled the service providers to focus their resources in the areas of importance. The research resulted in the development of a reliable and valid instrument for assessing subscribers’ perceived service quality of cellular mobile services. Shikha Ojha (2009) conducted a study on “Subscriber Awareness of VAS of Telecom
Sector of India.” He analyzed the contribution of the mobile phone services, which were not only at the national or state level, but also its involvement in an individual's life. He had found out that the less number of users was aware of all the VAS provided by the service providers and thus the companies should focus on the awareness campaign. Shirshendu Ganguli (2008) conducted a study on “Drivers of Subscribers’ Satisfaction in Indian Cellular services Market “in which he discussed the impact of service quality and features on subscribers’ satisfaction from the cell user's viewpoint.

D. Ranganathan & Babad. Y (2008) et al had focused on understanding the factors related to subscribers’ retention behaviour, both behavioural factors such as switching costs and subscribers’ satisfaction and demographic factors. Its two goals were used to understand these things such as (1) Which factors had affected switching costs and subscribers’ satisfaction (2) how subscribers’ demographics such as age and gender affect their choice of service plan complexity and handset sophistication, leading to differences in subscribers’ retention behaviour.

Dr. Sanal K. Mazvancheryl (2011) revealed the one-firm case, which was indeed an optimal level of satisfaction beyond which the firm had not make efforts to improve it. Expenditures that improved a firm’s satisfaction also increase its future firm value. However, a natural extension of our analytical model had been considered for the competitive dynamics of two or more firms involved in satisfaction-improving marketing efforts under uncertainty.

Yasser Khan, Sayed Fayaz Ahmed, Zahid Mehmood, Muhammad Khalil Shahid, Muhammad Ibrahim (Mar 2012) presented the model design which was of high importance and there exists a significant correlation, which strongly recommended the intention of subscriber perception towards telecom services.
Relative advantage in the research study was a very important variables, it represented subscribers in Pakistan positively perceived the telecom services.

2.7 POST PURCHASE BEHAVIOUR / COGNITIVE DISSONANCE SATISFACTION

The behaviour after a product purchased is called post purchase behaviour. Generally, after a product is purchased, the buyer undergoes post purchase dissonance means the buyer regrets his/her purchase. Jobber (2007) stated in his study that the quality of product and service was a main determinant in post-purchase evaluation. To understand post purchase behaviour, it was crucial to study the entire buyer decision process.

2.7.1 Reviews Related to Post Purchase Behaviour

Czinkota (2000) believed that the subscribers’ decision process does not end with the purchase. Rather, the experience of buying and using the product provides information that the subscriber had used in future decision making. In general, the post purchase process includes four steps: decision confirmation, experience evaluation, satisfaction or dissatisfaction, and future response (exit, voice, or loyalty). Phipps & Simmons (2000) stated that, it was one of the processes that occurred at this stage was cognitive dissonance: a post purchase doubted the buyer experiences about the wisdom of the choice. Methods of reducing dissonance and confirming the soundness of one’s decision were seeking further positive information about the chosen alternative and avoiding negative information about the chosen alternative. Czinkota and Kotabe (2000) pointed out that the opposite had occurred – a subscriber had felt uneasy about a purchase. Second thoughts had created an uneasy feeling, a sensation that the decision-making process had been yielded the wrong decision. In the context of subscriber behaviour, cognitive
dissonance was a psychological uncomfortable post purchase feeling. More specifically, it referred to the negative feelings, or buyer’s remorse, that had followed a commitment to purchase.

Lamb (2000) highlighted that almost all major purchases results in cognitive dissonance, or discomfort caused by post purchase conflict. After the purchase, subscribers were satisfied with the benefits of the chosen brand and were glad to avoid the drawbacks of the brands not bought. However, every purchase involved compromise. Thus, subscribers feel at least some post purchase dissonance for every purchase. Swartz & Iacobucci (2000) reported about the more satisfied subscribers were, the more likely they had become loyal to the brand and the seller and the more likely the seller was to establish a long-term relationship with the subscriber’s. In other words, subscribers’ value and satisfaction influence future buying decisions. Schiffman and Kanuk (2000), had stated that post purchase behaviour was a psychological phenomenon which referred to the fact that people seek out information which supports their currently held views, and seek to avoid information which challenges them. If they cannot avoid doubtful viewpoints, they tend to hear selectively only that part of the information that supports them and/or reinterpret what they are hearing, so that it does match their current opinions.

Foxall (2001) expressed about the customer’s negative feeling of doubt and uncertainty in the post purchase period was referred to as cognitive dissonance, a negative emotion stemming from a psychological inconsistency in the cognition the things that a person knows. Dissonant buyers had tried to correct these psychological inconsistencies by attempting to convince themselves that the original decision was correct and very judicious. Weitz (2001) had indicated that following purchase, the product was actually consumed. Marketers need to know whether purchasers consumed the product routinely without much thought, or if they were
consciously evaluating it. This depended on the level of enduring involvement in the product and the finality of the preference that caused this purchase.

According to Etzel (2001), in some cases, the subscriber made the decision to buy a particular brand already aware of dissonant elements. In other instances, disturbing information that was received after the purchase arouses dissonance. The marketer had taken specific steps to reduce post purchase dissonance. Advertising that stressed the many positive attributes or confirmed the popularity of the product had been helpful. Providing personalized reinforcement had proven effective with big-ticket items such as automobiles and major appliances. Salespeople in these areas had send cards or may even make personal calls in order to reassure subscribers about their purchase. Jones and Ince (2001) argued that the thrust of cognitive dissonance theory was that dissonance was likely to occur after a choice had been made and it had reflected a natural occurrence because the choice had been made. In terms of post purchase processes, it was the total amount of dissonance that people experience was important. Since dissonance produced unpleasant feelings, it had been motivated to act to reduce the amount of dissonance were experiencing.

Lovelock and Wright (2002) had indicated that subscribers’ evaluate service quality by comparing what they expected with what they perceive they received. If their expectations were met or exceeded, they believe they have received high-quality service. If the price/quality relationship was acceptable and other situational and personal factors were positive, then subscribers were likely to be satisfied.

Burnett (2002) had argued that all the behaviour determinants and the steps of the buying process up to this point were operative before or during the time
a purchase was made. Keeping the subscribers’ happy was what marketing was all about. This anxiety had reflected a phenomenon called cognitive dissonance. According to this theory, people strive for consistency among their cognitions (knowledge, attitudes, beliefs, values). When there were inconsistencies, dissonance exists, which people had tried to eliminate.

Zikmund and D’Amico (2002) presented about the cognitive dissonance was relevant to marketing when there were conflicting claims associated with a product. Marketers need to take into account any areas associated with their offerings likely to produce cognitive dissonance and attempted to reduce them as much as possible in their communications and the products themselves. They also stated that consumption naturally followed the purchase. If the decision maker was also the user, the matter of purchase satisfaction (or dissatisfaction) remains. In some cases, satisfaction was immediate, as when the buyer chews the just-bought gum pleased that the decision-making process was over. In this case, marketing had achieved its goal of subscriber satisfaction.

Canute (2002), Post-buying assessment involved a subscribers’ evaluation of the performance of the product or service, in relation to the criteria, once it had been bought. The post-buying phase involved different forms of psychological process that subscribers’ had experience after buying something. After buying something, the subscribers’ discovered something about a product or service, stores this new knowledge in long-term memory modifies relevant attitudes and was ready for the next decision process with an improved base of knowledge.

Arens (2002) demonstrated about the post purchase evaluation, which was focused on whether subscribers had received good value. Subscribers had weighed the benefits received by purchasing against the costs of making the purchase. When
the benefits significantly outweigh the costs, subscribers perceive high value and were satisfied. Dylan (2003) noted that post purchase behaviour/cognitive dissonance was a theory of human motivation that asserted that it was psychologically uncomfortable to hold contradictory cognitions. The theory was that post purchase doubt, being unpleasant, motivates a person to change his belief/cognition, attitude, or behaviour. Gilbert (2003) showed that the buyer can experience purchase dissonance after the product’s purchase. Dissonance causes tension over whether the right decision was made in buying the product. Some people refer to this as buyer’s remorse. Alternatively, they may seek assurance from the salesperson or friends that the product is a good one and that they made the correct purchase decision (positively reinforcing them). Futrell (2004) stated that as a result, they were more likely to make repeat purchases and become loyal subscribers. However, if the service experience, which does not meet subscribers’ expectations, they had complained about poor service quality, suffer in silence, or switch providers in the future.

According to Arens (2004), a key feature of the post purchase evaluation was cognitive dissonance. During the post purchase period, the subscriber had enjoyed the satisfaction of the purchase and thereby received reinforcement for the decision. Or the purchase had turn out to be unsatisfactory for some reason. In either case, feedback from the post purchase evaluation updated the subscribers’ mental files, affecting perceptions of the brand and similar purchase decisions in the future. Futrell (2004) stated about the decision process, which does not end with the purchase - not for the buyer at least. A product, once purchased, yields certain levels of satisfaction and dissatisfaction. Purchase satisfaction came from receiving benefits expected, or greater than expected, from a product. If buyers' experiences
from the use of a product exceed expectations, they were satisfied, but if experiences were below expectations, subscribers were dissatisfied.

Peter and Donnelly (2004) had pointed out in general that the individual finds that a certain response achieved a desired goal or satisfied a need; the success of this cue-response pattern had been remembered. Frequent reinforcement increased the habit potential of the particular response. Likewise, if a response had not satisfied the need adequately, the probability that the same response had been repeated was reduced. In support, Lamb (2004) had stated that when buying products, subscribers was expected certain outcomes or benefits to accrue from the purchase. How well these expectations were met and determined whether the subscriber was satisfied or dissatisfied with the purchase. Lamb 2004, explained about the people who had just bought new cars often read more advertisements of the car they had just bought them on other cars in order to reduce dissonance and reinforce the correctness of the decision. In some instances, people deliberately seek contrary information in order to refuse it and reduced dissonance. Dissatisfied subscribers, sometimes rely on word-of-mouth to reduce cognitive dissonance by letting friends and family know they were displeased.

Schiffman and Kanuk (2004) had showed that as subscribers use a product, particularly during a trial purchase, they evaluated its performance in light of their own expectations. For each of these three outcomes, subscribers’ expectations and satisfaction were closely linked; Subscribers tend to judge their experience against their expectations when performing a post purchase evaluation. According to Arens (2004), the subscribers’ decision process does not end with the purchase. Rather, the experience of buying and using the product provided information that the subscribers’ had used in future decision making. In other cases, the subscribers’ had been disappointed and even return or exchange the product. In
general, as shown in the post purchase process had included four steps: decision confirmation, experience evaluation, satisfaction or dissatisfaction and future response. Kotler (2008) had explained that the studying of the purchase decision process difficult as the answers was often locked within the subscribers’ head. The process had five stages: need recognition, information search, evaluation of alternatives, purchase decision and post purchase behaviour. Ilias and Panagiotis (2010), had found that broadband, as a key enabling technology in the networked society, can help boost the economy of Pakistan at the national level as well as help to improve the lives of its citizens by facilitating the delivery of education, health and telecommunications services at low cost and to a wider population mainly for the subscribers’ satisfaction.

2.8 SUBSCRIBERS’ SATISFACTION

Subscribers’ satisfaction had been a central concept in marketing literature and it was an important goal of all business activities. Today, companies had faced their toughest competition, because they moved from a product and sales philosophy to a marketing philosophy, which gave a company a better chance of outperforming competition (Kotler, 2000). The importance of subscribers’ had been highlighted by many researchers and academicians. The principal concern of marketing was to connect with subscribers by building a strong subscribers’ relationship in order to meet their expectations. Therefore, managers who see subscribers as the only way of profit, they consider the traditional chart in a pyramid with the president at the top, management in the middle, and front-line people and subscribers at the bottom.
2.8.1 Definition

Subscribers’ satisfaction was defined as an overall evaluation based on the total purchase and consumption experience focused on the perceived service performance compared with pre-purchase expectations over time. Also subscribers’ satisfaction was a measure that suggested the meeting minimum or basic requirements. Usually, that subscribers proclaiming to be "extremely or very satisfied" had been the least profitable subscribers in terms of revenue and product usage indicators to a subscribers’ loyalty. Parker and Mathew (2001) expressed that there were two basic definitional approaches of the concept of subscribers’ satisfaction. The first approach defined satisfaction as a process and the second approach defined satisfaction as an outcome of a consumption experience. These two approaches were complementary, as often one depends on the other.

2.8.2 Reviews Related to Subscribers’ Satisfaction

Oliver (1994) expressed that there were four frameworks of satisfaction, which related to reinforcement and arousal. In relation to arousal, low arousal fulfillment was defined as “satisfaction-as contentment,” a result of the product or service performing adequately in an ongoing passive sense. High arousal satisfaction was defined as “satisfaction as either positive (delight) or negative surprise” which had been a shock. Homburg and Bruhn (1998) had stated about subscribers’ satisfaction “an experience-based assessment made by the subscribers’ of how far his own expectations about the individual characteristics or the overall functionality of the services received from the provider had been fulfilled.” Parker and Mathews (2001) noted that the process of satisfaction definitions concentrated on the antecedents to satisfy rather than satisfaction itself. Satisfaction as a process was the most widely adopted description of subscribers’ satisfaction and a lot of research
efforts had been directed at understanding the process approach of satisfaction evaluations.

Parker and Mathews (2001) had illustrated about the approach, which had its origin in the discrepancy theory and argued that satisfaction was determined by the perception of a difference between some standard and actual performance. According to Parker and Mathews (2001), the most popular descendant of the discrepancy theories was the expectation disconfirmation theory, which stated that the result of subscribers’ perceptions of the difference between their perceptions of performance and their expectations of performance. Positive disconfirmation leads to increased satisfaction, with negative disconfirmation having the opposite effect.

Furthermore, Parker and Mathews (2001) had expressed that attention had been focused on the nature of the satisfaction of the outcome approach which included: Emotion - Satisfaction was viewed as the surprise element of product or service purchased and or consumption experiences or is an effective response to a specific consumption experience. The relevance of this definition to this study was that it indicated that subscribers assess the mobile services based on experience of use and the rating was done in accordance with the mobile services attributes. In their study, subscribers’ satisfaction with the Nigerian mobile services had been evaluated based on subscribers’ experience of network quality, billing, validity period and subscribers’ care support.

2.9 FACTORS AFFECTING SUBSCRIBERS’ BEHAVIOUR

2.9.1 Culture

Culture was the set of values, preferences, beliefs and tastes of a group of people at a period of time. It was proved to be the most influential and enduring
behaviour. The cultural setting of some people caused them to behave in a situation approach with regard to their purchasing decision.

### 2.9.2 Perception

Perception was the process through which an individual subscriber interprets stimuli (a product or service) into meaningful and coherent picture of the world.

### 2.9.3 Motivation

The concept of motivation was very paramount to learning subscriber behaviour. The marketing teacher.com defines it as “the internal state that derived to satisfy a need.” Motivation serves as the impetus to one’s behaviour. Once a need was identified, a state of tension was created making the subscriber to eliminate that tension by way of satisfying that need.

### 2.9.4 Social groupings or Reference groups

Another important factor that affected the behaviour of a subscriber with regard to his purchase decision was reference groups. Every individual one way or the other belongs to a certain group and that had a direct impact on the behaviour of every member.

### 2.10 CONCEPT OF BROADBAND & WIRELESS TELECOM SERVICES’ SUBSCRIBERS’ BEHAVIOUR

Competition in the India’s telecommunication industry had called for telecommunication firms improved their corporate performance not only in terms of tile density (The number of subscribers’ out of every 100 people), but also engaged
in intensive marketing activities such as branding, promotion and advertisements. The study of subscriber behaviour focused on how individuals make decisions to spend their resources on goods and services. It included what they buy, why they buy it, where they buy it, and how often they buy it. Subscriber researchers had want to know the kind of subscribers who buy it, what kind of features they would be looking for, what benefits they would be expected and how likely they to subscribe broadband & wireless telecom services with added features and were made available. As a result, the challenges in managing behavioural concept of broadband & wireless telecom services and its benefits, the research had brought into focus a critical evaluation and its role or impact in the purchase decision making process of subscribers. The study also deals with the question of the overall perception of subscribers towards broadband and subscriber preference towards various high tech features the broadband in the market.

2.10.1 Socio-economic Factors and Subscribers’ Satisfaction

The social identity theory proposed that attitudes were moderated by demographic, situational, environmental, and psychosocial factors. According to the social, psychological theories, subscribers’ evaluations were moderated, or in some cases mediated, by personal feelings of equity in the exchange, disconfirmation between desires and outcomes, individual preferences, social comparisons, and other complex phenomena. These theories strongly suggested that differences in these phenomena among subscribers influence their attitudes. According to reviews, as far as young people aged 16-20 were concerned, it was found that mobile phones choice and especially usage were consistent with respondents’ general consumption styles. The researcher showed that addictive use was common among females and was related to trendy and impulsive consumption styles. Instead, males were found to have more technology enthusiasm and trend – conscious. These attributes were then
linked to impulsive consumption. The study concluded that genders were becoming more alike in telecom service choice. Because individual differences in consumption patterns were obviously identifiable.

The factors such as call quality, handset type, and brand image had an effect on subscribers’ loyalty as measured by the intention/non-intention to suggest the service provider to other people. The results showed that the subscribers’ probability towards switching over these networks significantly depend on the level of satisfaction with various service attributes of that carrier such as call quality, tariff level, handsets, brand image, income level and subscription duration.

2.11 CONCLUSION

This chapter covered a review of relevant literature regarding the construction of proposed model as well as related theories and findings of the previous studies. The subject focused on the subscribers’ fulfillments and also discussed about the factors that was influencing the subscribers’ satisfaction and decision making to purchase broadband services. This chapter reviewed about various authors’ suggestion and their approach towards the customer decision and purchasing the products and subscribers view on the products and decision. In the next chapter, the research framework and several hypotheses based on the literature review pertain to the study had been discussed accordingly.