PREFACE

Indian telecommunications sector has been growing exponentially and has become the second largest sector in the world. It had 1.206 billion total telecom subscribers with an overall tele-density of 93.40% as of September 2017. The mobile industry contributed 6.5% to India’s GDP in 2015. In addition, the Indian telecom sector is expected to witness a huge growth period. In the process it is expected that the sector’s growth will further fuel the national economy by creating millions of jobs.

Indian telecom sector is characterized by intense competition among different telecom operators owing to low switching costs and price sensitivity of the customers. Thus, customer loyalty and customer satisfaction have a crucial role to play in Indian telecommunications sector. Customer loyalty can be described as a customer’s willingness to continue patronizing a firm over the long term and recommending the firm’s products and services to friends and associates while customer satisfaction is the state of mind that customers have about a company when their expectations have been met or exceeded over the lifetime of the product or service. In the wake of the realization of the significance of customer loyalty and satisfaction, the telecom companies have been engaging in ambitious research projects to draw actionable insights which can guide their decision making processes and formulating future customer retention strategies.

This thesis addresses the academia as well as corporate executives. The basis for this thesis comes from the quantitative research into the various factors driving customer loyalty in the context of Indian mobile telecommunications sector. These factors include perception-based as well as experience-based dimensions. The thesis contains the steps followed to develop a holistic empirical model of customer loyalty followed by its applications to calculate relevant indices quantifying the phenomena under study. Further these indices are compared amongst themselves on the basis of various sample categorizations, thus providing vital insights into the loyalty behaviour of prepaid telecom users. Therefore, the present study, holds significant implications for various stakeholders of the Indian telecom industry.

The research work is organized into six broad chapters. Chapter 1-3 present the introduction, theoretical base and research design adopted to carry out this work. Chapter 4 is devoted to the sequential development of a holistic empirical framework of customer loyalty encompassing various contributing factors. The comparative
analysis to examine the loyalty and satisfaction indices on the basis of various sample characteristics is presented in chapter 5. The major findings, managerial implications, limitations of the study and future research directions are highlighted in chapter 6.