CHAPTER I
INTRODUCTION AND DESIGN OF THE STUDY

1.1 Introduction

Indian Telecom has come a long way since its modest beginnings 15 years ago. The country has 752 million (as on February 2011) mobile connections and continuing to grow at a scorching rate (more than 19 million additions in a month).¹ Though tariff rates are the lowest in Industry and still the industry is in nascent stage of growth. The sector threshold 3G Spectrum services. Today mobile communication finds relevance across the entire spectrum of the society who is votaries of how this phenomenon has changed and empowered their lives. 10 per cent increase in mobile penetration leads in a state leads to a 1.2 per cent increase in that state’s GDP.²

India’s telecom sector has entered the third phase of its growth right from the beginning of the year 2004. The first phase, which was largely the pre-liberalization era, was marked by extremely low tele-density and a telephone being a status symbol. Then came the second phase, when in 1992 the government opened up the telecom sector to foreign investment, allowed mobile services to be launched and laid the foundation for a telecom revolution in the country. The second phase of growth empowered Indians to connect and gave them an opportunity to ‘talk’. Barriers and distances got dissolved as affordability had a new meaning. This growth on 2G technology was largely led by voice. In the third phase, telecom growth in India has mirrored the growth of its economy. Rural India is the new growth engine of the Indian economy and with rural telecom penetration of about 15
per cent, there is huge scope for extending mobile services to customers in these areas.³

The total revenue in the telecom service sector was ₹86,720 crore (US$18.8 billion) in 2005-06 as against ₹ 71,674 crore (US$15.6 billion) in 2004-2005, registering a growth of 21 per cent. The total investment in the telecom services sector reached ₹ 200,660 crore (US$43.5 billion) in 2005-06, up from ₹ 178,831 crore (US$38.8 billion) in the previous fiscal.⁴

Telecommunication is the lifeline of the rapidly growing Information Technology industry. Internet subscriber base has risen to 100 million in 2010. Out of this 10.52 million were broadband connections. More than a billion people use the internet globally. Under the Bharat Nirman Programme, the Government of India will ensure that 66,822 revenue villages in the country, which have not yet been provided with a Village Public Telephone (VPT), will be connected. However doubts have been raised about what it would mean for the poor in the country.

It is difficult to ascertain fully the employment potential of the telecom sector but the enormity of the opportunities can be gauged from the fact that there were 3.7 million Public Call Offices in December 2005 up from 2.3 million in December 2004. The value added services (VAS) market within the mobile industry in India has the potential to grow from US$500 million in 2006 to a whopping US$10 billion by 2009.⁵

From the detailed decision made above, it could be understood that the Indian Telecom industry has undergone a revolution in the recent years. The country is ranked second worldwide in terms of having the largest
telecommunication network, after China. With the ongoing investments into infrastructure deployment, the country is projected to see high penetration of Internet, broadband and mobile subscribers. According to Global Information .inc new analytical study on the sector “Indian Telecom Analysis (2008-2012)”, mobile telephony continues to fuel growth of the Indian telecom sector, with mobile subscribers projected to grow at a CAGR of around 11 per cent between 2009-10 and 2013-14. Other segments of the industry such as Internet and broadband are also anticipated to witness strong growth in terms of both subscriber addition and network infrastructure deployment over the forecast period.

Tele-density in India has improved significantly over the recent years and has reached around 51 per cent in the fiscal year 2009-10, owing to improving network infrastructure. The launch of advanced telecom services like 3G and IPTV will also drive the growth in Indian telecom subscriber base over the forecast period. Furthermore, mobile handset market is also expected to register a robust growth in near future.  

Factors which are driving the growth of mobile handset market in India.

The Indian mobile services market is highly competitive with six to eight players operating in each of the 23 telecom circles that the country is divided into. The intensity of competition has increased in recent months following the launch of GSM services by Reliance Communications (RCom) and Tata DoCoMo, CDMA, MTS services by Sistema Shyam; and the continuing pan-Indian GSM rollout by Aircel, Idea Cellular (Idea), and Vodafone Essar (Vodafone). The competitive intensity is expected to
increase even further as new licensees launch their services and Mobile Number Portability (MNP) is introduced in India. The recent increase in competition in the Indian mobile services market is evident from the aggressive tariff plans being introduced by players, a move that has led to a decline in the average revenue per user (ARPU), revenue growth, and profitability of the industry. Besides, profitability of the mobile service providers is also being impacted by the increasing share of low ARPU subscribers in incremental additions, the bulk of which is happening in the semi-urban and rural areas where the mobile penetration rates are still low. The financials of the telecom companies for the second quarter of 2009-10 show the impact of the ongoing tariff war and increase in competitive intensity in the Indian mobile services market.

Telecom operators spend substantial resources on adding customers and thus customer retention is of critical importance for them. Loss of subscribers is measured by “churn”, which is the ratio of subscribers leaving the network to the current subscriber base. One of the biggest “concerns” for the mobile services industry is that with the introduction of MNP, the churn rate, which is already quite high in India, may increase even further, thereby leading to a drop in revenues and an increase in costs, which in turn would weaken their competitive positions. Thus, customer retention becomes more important for the service providers.

As ARPU's decline and voice services get commoditized, the challenge for mobile service providers would be to retain customers, develop alternative revenue streams and create a basis for brand/service differentiation. In the light of the changing dynamics of the Indian mobile
services market (mainly because of increasing competition), value-added service (VAS) presents an opportunity to mobile service providers to augment their revenues and margins, as is corroborated by the experience of telecom players in the developed markets.\(^7\)

Today the networks and companies will no longer be categorized on the basis of only voice, data or video services they provide. They have to become info-communications companies providing a bundle of services. Telecommunication has now become the backbone of any modern economy due to its all-pervasive nature of running through almost every human transaction - commercial, digital or even personal. The emerging new economy, powered by technology and dictated by the digital revolution is incredibly forcing the telecom industry to grow more than ever before.

Moreover, the changing lifestyle of human beings enhanced by Internet, facilitated by mobile communications and enriched by e-commerce would give a real boost to this industry. As trade and industry grow, telecom services also have to expand commensurately because it is one of the greatest infrastructure and life-blood for the modern trade and commerce. Telecommunications services are used for a variety of purposes. Modern communities and businesses have come to rely on these services for: social contact such as keeping in touch with friends and relatives and for organizing, social activities, Business purposes which cover a wide range of uses from customer contact and business transactions to inter-company communications, emergency use for summoning police, ambulance and fire brigades, cultural and entertainment use, educational use where telecommunications services or applications replace or augment
traditional delivery of education; and to carry On-line business transactions, education and entertainment using Internet access.\textsuperscript{8}

1.2 Statement of Problem

Telecommunication sector an emerging reality is the market that has become a multi-polar consumer universe. There are many more customer segments than before and they behave much more differently than before. The big challenge for operators would be not just to differentiate from their competitors, but to deliver differentiated products and services so that different audiences get relevant solutions. Added to the new challenges the service provider’s encounter: Customers are increasingly exercise informed choices and information technology /advanced platforms will be the key to this interactivity. With the customers in modern world. Service providers will continue to play a big role in providing assurance of quality services to the customers in this highly competitive scenario. Since, customer engagement with service is continuous, survival of the service providers in near future will be possible only if they can maintain consistency and quality on many dimensions rather than just one. While selecting the service provider the customers considers: the network, price, value addition, relevant innovation, brand and service support that has become important and necessary. The rapid growth of the mobile industry in India was led by a joint effort by operators, regulators and customers. The same three will have to join forces again and redirect their energies to see the sector through to the next phase. Thus, it has been felt by the researcher to carry out the current study.
1.3 Conceptual Frame Work of the Study

Consumer behavior has gained importance for managers of both the profit and non-profit organizations, and of policymakers. In modern marketing, firm's success depends upon customer satisfaction. Therefore, the knowledge of "what the customer thinks" and "what consequently would contribute to his satisfaction" is the requirement of the marketer. Information technology has changed the present socioeconomic environment enormously. The expanded horizon of telecommunications has led to the substantial increase in mobile services.

The present study assesses the consumers' awareness and attitude towards different mobile service providers in Coimbatore city. The paper aims at studying the consumers’ perception, satisfaction and its future impact on socio-economic changes on mobile usage. The fast-changing information system and high-tech technological products have affected the business activities of the country. The telecommunication services in India have witnessed a phenomenal change over the last few years. The mobile services sector of India has increased substantially.

EXHIBIT: 1.1

LIFE CYCLE OF CUSTOMERS SERVICE IN
TELECOMMUNICATION SECTOR

![Diagram of the life cycle of customers service in the telecommunication sector. The diagram includes stages such as Acquire New Customers, Intensify Customer Activities, Continuous Relationship, and Customer Satisfaction.]
Life cycle of customer relationship is composed of three stages. At the first stage, firms try to be well known and to acquire new customers. At the second stage, the connection between customer and firm has been achieved. During this stage, firms intensify their activities on acquired customers and both of them promise mutually. At the third stage, these promises are accomplished and the service is consumed. During the stage, firms face “Reality instants” which could possibly achieve satisfaction of customer and continuous relationship. This could also be true of second stage. So, these instants should be managed successfully. Implementation of close relations with customer successively and true applications at reality instants could not be accomplished by responsibilities of marketing personnel. Besides it should be remembered that consumption and production of service are closely interrelated.

The study of consumer behavior enables marketers to understand and predict consumer behavior in the marketplace; it is concerned not only with what consumers buy but also with why, when, where, how and how often they buy it. Consumer research is the methodology used to study consumer behavior and takes place at every phase of the consumption process: before during and after the purchase.

Skilled marketers make the customer the core of the company's organizational culture and ensure that all employees view any exchange with a customer as part of a customer relationship. The three drivers of successful relationships between marketers and customers are customer value, high levels of customer satisfaction and building a structure for customer retention.
Digital technologies allow much greater customization of products, services and promotional messages than do older marketing tools. They enable marketers to adapt the elements of the marketing mix to consumers' needs more quickly and efficiently and to build and maintain relationships with customers on a much greater scale. However, these technologies also represent significant challenges to marketers and to business models that have been used for decades.

In marketing management service has been defined as “any act or performance that one party can offer to another that is essentially intangible, and does not result in the ownership of anything” The following are the unique features of services marketing.

- **Intangible**

  Services are intangible and insubstantial: they cannot be touched, gripped, handled, looked at, smelled, tasted or heard. Thus, there is neither potential nor need for transport, storage or stocking of services. Furthermore, a service cannot be (re)sold or owned by somebody. Neither can it be turned over from the service provider to the service consumer nor returned from the service consumer to the service provider. Solely, the service delivery can be commissioned to a service provider who must generate and render the service at the distinct request of an authorized service consumer.

- **Perishability**

  Services are perishable in two regards

  - The service relevant resources, processes and systems are assigned for service delivery during a definite period in time. If the designated or
scheduled service consumer does not request and consume the service during this period, the service cannot be performed for him. From the perspective of the service provider, this is a lost business opportunity as he cannot charge any service delivery; potentially, he can assign the resources, processes and systems to another service consumer who requests a service. Examples: The hair dresser serves another client when the scheduled starting time or time slot is over. An empty seat on a plane never can be utilized and charged after departure.

- When the service has been completely rendered to the requesting service consumer, this particular service irreversibly vanishes as it has been consumed by the service consumer. Example: the passenger has been transported to the destination and cannot be transported again to this location at this point in time.

➢ **Inseparability**

The service provider is indispensable for service delivery as he must promptly generate and render the service to the requesting service consumer. In many cases the service delivery is executed automatically but the service provider must preparatory assign resources and systems and should actively keep up appropriate service delivery readiness and capabilities. Additionally, the service consumer is inseparable from service delivery because he is involved in it from requesting it up to consuming the rendered benefits. Examples: The service consumer must sit in the hair dresser's shop & chair or in the plane & seat; correspondingly, the hair
dresser or the pilot must be in the same shop or plane, respectively, for delivering the service.

- **Simultaneity**

  Services are rendered and consumed during the same period of time. As soon as the service consumer has requested the service (delivery), the particular service must be generated from scratch without any delay and friction and the service consumer instantaneously consumes the rendered benefits for executing his upcoming activity or task.

- **Variability**

  Each service is unique. It is one-time generated, rendered and consumed and can never be exactly repeated as the point in time, location, circumstances, conditions, current configurations and/or assigned resources are different for the next delivery, even if the same service consumer requests the same service. Many services are regarded as heterogeneous or lacking homogeneity and are typically modified for each service consumer or each new situation (computerized). Example: The taxi service, which transports the service consumer from his home to the opera is different from the taxi service which transports the same service consumer from the opera to his home - another point in time, the other direction, may be another route, probably another taxi driver and cab.

  Each of these characteristics is retractable per se and their inevitable coincidence complicates the consistent service conception and makes service delivery a challenge in each and every case. Proper service marketing requires creative visualization to effectively evoke a concrete
image in the service consumer's mind. From the service consumer's point of view, these characteristics make it difficult, or even impossible to evaluate or compare services prior to experiencing the service delivery.

Service marketing is a subfield of marketing, which can be split into the two main areas of goods marketing (which includes the marketing of fast moving consumer goods (FMCG) and durables) and services marketing. Services marketing typically refer to both business to consumer (B2C) and business to business (B2B) services, and include marketing of services like telecommunications services, financial services, all types of hospitality services, car rental services, air travel, health care services and professional services.

Services are economic activities offered by one party to another. Often time-based, performances bring about desired results to recipients, objects, or other assets for which purchasers have responsibility. In exchange for money, time and effort, service customers expect value from access to goods, labor, professional skills, facilities, networks, and systems; but they do not normally take ownership of any of the physical elements involved.

There has been a long academic debate on what makes services different from goods. The historical perspective in the late-eighteen and early-nineteenth centuries focused on creation and possession of wealth. Classical economists contended that goods were objects of value over which ownership rights could be established and exchanged. Ownership implied tangible possession of an object that had been acquired through
purchase, barter or gift from the producer or previous owner and was legally identifiable as the property of the current owner.9

Adam Smith’s famous book, The Wealth of Nations, published in Great Britain in 1776, distinguished between the outputs of what he termed “productive” and “unproductive” labor. The former, he stated, produced goods that could be stored after production and subsequently exchanged for money or other items of value. But unproductive labor, however” honorable…useful, or… necessary” created services that perished at the time of production and therefore didn’t contribute to wealth. Building on this theme, French economist, Jean-Baptiste Say, argued that production and consumption were inseparable in services, coining the term “immaterial products” to describe them.

1.3.1 Relationship Marketing:

Increasingly, a key goal of marketing is to develop deep, enduring relationship with people and organizations that could directly or indirectly affect the success of the firm’s marketing activities. Relationship marketing aims to build mutually satisfying long term relationships with key constituents in order to earn and retain their business.

Four key constituents for relationship marketing are customers, employees, marketing partners (channels, suppliers, distributors, dealers, agencies) and members of the financial community (shareholders, investors, analysts). Marketers must respect the need to create prosperity among all these constituents and develop policies and strategies to balance the returns to all key stakeholders. To develop strong relationships with these
constituents requires an understanding of their capabilities and resources, as well as their needs, goals and desires.

EXHIBIT: 1.2

RELATIONSHIP MARKETING

The services offering will be successful if it delivers value and satisfaction to the target buyer. The buyer chooses between different offerings based on which she perceives to deliver the most value. Value reflects the sum of the perceived tangible and intangible benefits and costs to customers. It’s primarily a combination of quality, service and price (qsp) called the “customer value triad”, Value increases with quality and service and decreases with price, although other factors can also play an important role in our perceptions of value.
Customer value is a central marketing concept. We can think of marketing as the identification, creation, communication, delivery and monitoring of customer value. Satisfaction reflects a person’s judgments of a product are perceived performance (or outcome) in relationship to expectations. If the performance falls short of expectations, the customer is dissatisfied and disappointed. If it matches expectations, the customer is satisfied. If it exceeds them, the customer is delighted.\textsuperscript{10}

From the detailed discussion it has understood that consumer behavior is interdisciplinary; that is, it is based on concepts and theories about people that have been developed by scientists in such diverse disciplines as psychology, sociology, social psychology, cultural anthropology and economics. Study of consumer behavior has become an integral part of strategic market planning. The belief that ethics and social responsibility should also be integral components of every marketing decision is embodied in revised marketing concept the societal marketing concept that calls on marketers to fulfill the needs of their target markets in ways that improve society as a whole.

1.4 Scope of the Study

Services sector is the fastest growing segment as compared to other sectors of the Indian economy. A major stimulus in this shift is the movement to information age spurred by invention of computer and advancements in telecommunications. As countries continue to shift from agricultural base to services orientation, the demand for services further holds huge potential. Additional factors contributing to the growth of service sector are higher per capita income, increased time pressure,
advances in product technology, spiraling competition, rise of individualism, technological advances, globalization, competition, greater life expectancy and cost effectiveness drives the growth of service chains and networks and service quality movement. Thus, tremendous growth of services sector implies the role of marketing in terms of vast opportunities and implications, marketing opportunities arising from new technology, in franchising from fewer regulations and professional restrictions, in servicing physical goods and international markets. The purpose of this study is to examine the level of satisfaction from services available. This study will be helpful to the academicians, researchers scholars, persons involved in marketing services, customers in drawing clear understanding on customer satisfaction towards cellular service providers.

1.5 Objectives of the Study

The following are the main objectives of the present study, say,

- To study the relationship between demographic factors and brand choice of customers mobile phone service providers.

- To study different factors considered by the customers in choosing the particular mobile phone service provider.

- To study the quality of services provided by the service providers.

- To study the opinion of customers on various services provided by the mobile phone industry and its usage pattern.

- To study customers satisfaction and displeasure towards cellular service providers.
1.6 Hypothesis of the Study

- It is believed that the selections of service providers by the mobile users are not influenced by the purchase decision parameters.

- Customers’ opine that their service providers provide them highly competitive package of services.

- Customers believe that their mobile service providers provide competitive services to them.

- Customers attitude towards the selection of mobile phone service are not based on their competitive services features.

- There exists no differences in the level of satisfaction derived by the pre and post paid service users.

- The level of satisfaction derived by the customers in terms of competitive tariff rates, network quality and customer care significantly varies from one service provider to other.

- There exists no correlation between the nature of problems faced by customers of one service provider to the other.

- There exists no similarity in the nature of frustration faced by mobile users.

- There exists no association in the reason stated by customers for shifting from one mobile service provider to other.
1.7 Research Methodology and Design

The current study is both explorative and descriptive in nature. Initially, a qualitative research was adopted to identify the factors contributing customer satisfaction of cellular phone subscribers. The previous research work of different scholars in cellular phone customer satisfaction was reviewed to initially determine the variable, which can be tested to measure satisfaction parameter. The selected variables worked as guideline for conduct in-depth interview with 30 respondents who were using services of different cellular phone service providers. Once the common and significant variables for measuring customer satisfaction were selected, the second stage of research commenced.

A well structured interview schedule was developed based on the findings of the interview. The schedule inquired about the actual perception of Performance on each item. A five point Likert scale was used to measure the performance perception on each item, where 1 represented very poor/highly dissatisfied to 5 for excellent/highly satisfied. The interview schedule also included demographic and psychographic variables.

1.7.1 Area of study

Results of various studies and data of City Corporation Report clearly states that Coimbatore city has largest industrial center next to Chennai in TamilNadu. Moreover, this city has more tele-density subscriber base and the social- demographic features of this city are very viable to conduct any type of research. Thus Coimbatore city is selected as the field area for primary data collection.
1.7.2 Selection of service provider

Based on mobile subscriber base seven major telecom service providers are selected i.e. BSNL, Airtel, Aircel, Reliance, Vodafone, Idea, Tata Indicom.

1.7.3 Interview Schedule Frame work

Customer Satisfaction is measured across various parameters. There are parameters and sub parameters. Each of this parameters/Sub parameters can be assigned a satisfaction score through various methods of customer survey, focus group survey, etc.

The dimension is used to segment customers in the current study are as per the level of satisfaction, and it have been grouped under these heading:

- Level of Service Knowledge
- Timeliness and quality of response to customer queries on services.
- Level of understanding of customer’s needs and unique perspective.
- Availability and quality of services
- Presentation, communication and mannerism of sales person.
- Service quality and trustworthiness.

Effective marketing focuses on two activities: Retaining existing customers and adding new customers. Customer satisfaction measures are critical to any product or service company because customer satisfaction is a strong predictor of customer retention, customer loyalty and product repurchase.
1.7.4 Sampling Framework

The type of universe is infinite. There are eight service providers (BSNL, Aircel, Airtel, Reliance, Vodafone, Idea, Tata Indicom, MTS) of which seven were selected as the sample, due to popularity and reliable service. Cluster based Judgmental sampling design had been adopted by the researcher for collection of primary data. 800 interview schedules were issued equally to North, South, East and West Zones (200 from each zone) of mobile phone users and they were contacted through e-mail, telephone and in person for data collection before the first hand information was collected from them. 800 were collected back. Out of that 770 questionnaire were found eligible to process the data (response rate of 96.25 per cent). The sample size includes male and female users from different occupation, age, and income groups.

A pilot test of the interview schedule was conducted on 30 respondents who were later excluded from the final study. Respondents were existing customers of different cellular phone service providers operating at Coimbatore city, TamilNadu (As TRAI Report September, 2010, TamilNadu has 65.73 million users of mobile phone service of which 67.34 per cent are urban users). They were geographically scattered along four areas: North, South, East and West.

1.7.5 Data source

Data base of the study includes both primary and secondary data. Primary data has been collected through individuals using structured interview schedule and personal interview. The secondary data required for the study has been collected from the Annual Reports of Telephone
Regulatory Authority of India (TRAI). The secondary data has also been collected from Journals, year book of statistics, Indian Telecom policy, Department of Telecommunications, published reports of World Telecommunications Development, Books and various websites of the mobile operators.

1.7.6 Period of study

Period of the study was 2004 to 2012.

1.7.7 Statistical Tools Used

The data collected through the well structured interview schedule were classified and tabulated for analysis in accordance with the outline laid down for the purpose of justifying the objectives framed at the time of developing research design. To analyse the data and to draw inferences the following statistical tool, were used with the help of Statistical Package for Social Sciences (SPSS) version 16 package. The statistical tools applied in the study are:
# TABLE: 1.1

**STATISTICAL TOOLS APPLIED AND IT’S PURPOSE**

<table>
<thead>
<tr>
<th>Tool Applied</th>
<th>Purpose</th>
<th>Hypothesis tested</th>
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<tbody>
<tr>
<td><strong>Frequency distribution</strong></td>
<td>• Applied for all variables to measure the frequency of distribution</td>
<td>-</td>
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</tbody>
</table>
| **Arithmetic Mean and Likert’s Five Point Scale** | • This tool helped the research to measure the influence the purchase behavior of service takers, influenced by: personal, non-personal and service features.  
• Users’ level of perception towards factors considered as primary before hiring the cellular service.  
• Customers level of satisfaction towards the mobile faculty.  
• Mobile users level of frustration experienced in dealing with a call center personnel | - |
| **Discriminant function analysis** | • This tool had been used to measure the influence the purchase behavior of customers through: personnel, non-personnel and service features.  
• Users level of perception towards operator providers.  
• The most effective packages.  
• Mobile service users level of perception on various services offered by the service providers. | - |
<table>
<thead>
<tr>
<th>Tool Applied</th>
<th>Purpose</th>
<th>Hypothesis tested</th>
</tr>
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</table>
| **Result of ANOVA** | - Selections of service providers by the mobile users  
- Customers Influenced by the purchase of various service.  
- Customers’ level of satisfaction towards the service providers and type of connection | - It is believed that the selections of service providers by the mobile users are not influenced by the purchase decision parameters.  
- Customers’ opinion that their service providers provide them highly competitive package of services.  
- Customers believe that their mobile service providers provide competitive services to them.  
- There exists no differences in the level of satisfaction derived by the pre and post paid service users |
| **Reliability and ANOVA** | - Reliability measure the data validation for the statement: Mobile users level of perception towards taking a mobile connection  
- Customers attitude towards the selection of mobile phone service are not based on their competitive services features. | |
| **Rotation Factor analysis** | - Mobile users level of perception on various services offered by the service providers.  
- Customers level of satisfaction towards the service providers | |
| **Chi-square Test** | - Customer’s levels of satisfaction towards the service provider’s Chi-square test helped the researcher to check.  
- The nature of problem faced by the users.  
- The reason associated with sifting from one use to other. | - The level of satisfaction derived by the customers in terms of competitive tariff rates, network quality and customer care significantly varies from one service provider to other.  
- There exists no correlation between the natures of problems faced by customers of one service provider to the other.  
- There exists no association in the reason stated by customers for shifting from one mobile service provider to other.  
- There exists no correlation between the natures of problems faced by customers of one service provider to the other. |
| **Person’s correlations** | - To measure customer’s level of perception towards selection of service providers | - |
1.8 Operational Definitions

- **Privatization** - Privatization is the incidence or process of transferring ownership of a business, enterprise, agency or public service from the public sector (the state or government) to the private sector (businesses that operate for a private profit) or to private non-profit organizations.

- **Liberalization** - Liberalization (or liberalisation) refers to a relaxation of previous government restrictions, usually in areas of social or economic policy. In some contexts this process or concept is often, but not always, referred to as deregulation.

- **Globalization** - Globalization (or globalization) describes the process by which regional economies, societies, and cultures have become integrated through a global network of political ideas through communication, transportation, and trade. The term is most closely associated with the term economic globalization: the integration of national economies into the international economy through trade, foreign direct investment, capital flows, migration, the spread of technology, and military presence.

- **Subscriber** - Subscriber is a person who subscribes to a publication or a service.

- **Service** - A service is the intangible equivalent of an economic good. Service provision is often an economic activity where the buyer does not generally, except by exclusive contract, obtain exclusive ownership of the thing purchased.
• **GSM** - GSM (Global System for Mobile Communications: originally from Groupe Spécial Mobile) is the world's most popular standard for mobile telephony systems. GSM is considered a second generation (2G) mobile phone system.

• **Code Division Multiple Access** - Code Division Multiple Access (CDMA) is a channel access method used by various radio communication technologies.

• **Consumer** - The "consumer" is the one who consumes the goods and services produced.

• **Communication** - It is a process whereby the meaning is defined and shared between living organisms. Communication requires a sender, a message, and an intended recipient, although the receiver need not be present or aware of the sender's intent to communicate at the time of communication.

• **Mobile phone** - A mobile phone (also called mobile, cellular telephone, or cell phone) is an electronic device used to make mobile telephone calls across a wide geographic area.

• **Service provider** - A service provider is an entity that provides services to other entities. Usually this refers to a business that provides subscription or web service to other businesses or individuals.
• **Telephone**- The telephone often colloquially referred to as a phone, is a telecommunications device that transmits and receives sound, most commonly the human voice.

• **Tariff**- The word is derived from the Arabic word tariff, meaning 'fees to be paid’.

• **Gross Domestic Product** - Gross Domestic Product (GDP) refers to the market value of all goods and services produced within a country in a given period. It is often considered an indicator of a country's standard of living.

• **Prepaid**- Prepaid refers to services paid for in advance.

• **Post paid**- A model of cellular service whereby the customer is charged for usage in the prior month (hence 'post' usage).

• **GPRS**- General Packet Radio Service (GPRS) is a packet oriented mobile data service on the 2G and 3G cellular communication systems global system for mobile communications (GSM). The service is available to users in over 200 countries worldwide.

• **SMS**- Short Message Service (SMS) is the text communication service component of phone, web or mobile communication systems, using standardized communications protocols that allow the exchange of short text messages between fixed line or mobile phone devices.
• **Mobile Number Portability (MNP)** - Mobile Number Portability (MNP) enables mobile telephone users to retain their mobile telephone numbers when changing from one mobile network operator to another.

• **Multimedia Messaging Service, or MMS** - Multimedia Messaging Service, or MMS, is a standard way to send messages that include multimedia content to and from mobile phones. The most popular use is to send photographs from camera-equipped handsets, although it is also popular as a method of delivering news and entertainment content including videos, pictures, text pages and ringtones.

• **WiMAX (Worldwide Interoperability for Microwave Access)** - WiMAX is a communication technology for wirelessly delivering high-speed Internet service to large geographical areas.

• **Spectrum allocation** - Use of radio frequency bands of the electromagnetic spectrum is regulated by governments in most countries, in a Spectrum management process known as frequency allocation or spectrum allocation.

• **Average revenue per user** - Average revenue per user usually abbreviated to ARPU is a measure used primarily by consumer communications and networking companies, defined as the total revenue divided by the number of subscribers.

1.9. **Limitations of the Study**

The researcher took all possible care to avoid shortcomings and errors in the collection of data. All possible care and skill were exercised to derive the conclusions and bring out the findings of the study. In spite of
all the efforts taken by the researcher in this regard, the present study is subject to the limitations mentioned below:

- The findings depend purely based on the opinion of the respondent, which could be biased in nature.
- Due to time constraints the researcher covered only Coimbatore city.
- Mobile phone, cell phone terms used interchangeably.
- The data used for this study was collected in the year 2009. Hence the conclusions are based on the conditions and situations prevailed during the year.

However adequate care has been exercised to collect the unbiased data. The respondents were informed well before they were interviewed. Furthermore, the researcher is bound ethically to maintain the anonymity of the research respondents and keep the research data in confidence.

1.9 Chapterisation Scheme

The thesis is sub-divided into five chapters.

Chapter I: The introductory chapter titled “Introduction and Design of the Study” deals with brief description of telecommunication, statement of problem, conceptual frame work of the study, scope, objectives, hypothesis, research methodology and design, operational definitions, limitations and chapterisation scheme.
Chapter II: The Second Chapter deals with “Review of Literature” The chapter contain reviews available on mobile communication both at national and international level.

Chapter III: The third chapter captioned “Growth and Development of Telecommunication Industry in India” deals with a brief introduction of telecommunication, and various service providers details.

Chapter IV: The fourth Chapter contains “Analysis and Interpretation” that effectively discussed the data drawn from the field survey.

Chapter V: The final chapter constitutes “Summary, Findings, Suggestions and Conclusion” This chapter gives brief summary of the research findings and suggestions.
References


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