A STUDY OF FACTORS CONSIDERED BY STUDENTS IN PUNE CITY WHILE SELECTING MOBILE SERVICE PROVIDER(MSP)

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ABSTRACT

This research paper has an objective to analyze the preferences given by students while considering various attributes to select a Mobile Service Provider(MSP).This study is mainly carried out to find attributes which have an influence on customer behavior while selecting a particular mobile service provider.The telecommunication industry is very wide and has huge scope in India,but at the same time it is very dynamic in nature. Hence this study will help to find various attributes which customers are considering while selecting aparticular brand.The purpose of this study is to find out the preferences or the priorities that a subscriber considers while selecting a mobile service provider.And the factors which influence his/her buying decision and the extent to which he/she considers these factors and makes a decision.For this survey student subscribers of Pune city of Maharashtra state are taken for analyses and preferences of Mobile service providers on subscribers.The findings derived from this study will help the mobile phone service providers in deciding and implementing strategies related to pricing,promotion,value added services and also their distribution strategies.

Keywords:Mobile service provider in India,Brand preference,Mobile service provider,students, Brand

Introduction

India has the second largest telecommunication subscribers in the world. This industry has vast potential in the India due to huge population and societal culture enhances the usage in the country.Due to such a market consisting of prospect buyers the mobile service providers want to increase their market share in India so as to emerge to compete in the global market.According to C. K. Pralhad the customer purchase intentions are mainly dependent on his satisfaction.Customer satisfaction is a psychological phenomenon which the customer experiences after consumption of the product.Hence if the company focuses on the improvement of those attributes which leads to customer satisfaction then that company can create loyal customer basewith long term association.In the last two decades mobile phones have evolved from being a luxury to a need.In this fast pace world convenience in communication is a necessity,the mobile phone operators are increasing and their selection is a result based on number of criterion to gain maximum satisfaction from the service providers.

India has one of the growing telecomnetwork in the world due to its high growth and capital inflows have helped increase the purchasing power of consumers and mobile has come within the reach of common man.Today Airtel, Vodafone,Idea,Uninor, Reliance, Tata DoCoMo ,BSNL,Aircel,Tata indicom, MTNL are major operators in India. Day by day telecommunication sector in India is flourishing with the technological advancement. This leads to change in the factors influencing consumer buying behavior in brand selection of telecommunication service provider. Thus this research is carried out with the objective of finding out the most influencing factors.

Objective of Study:

1)To identify the various factors responsible for influencing the purchase decisions of students mobile subscribers while buying a mobile service provider in Pune City.

2)To find out the extent to which these factors influence his decisions while selecting a particular mobile service provider.

Scope of the study: In this study the population taken are students. The reason behind it was that the usage rate of telecommunication and various other value added services is large among students as compared to other age group and profession. This generation is very enthusiastic about technology and hence this study finding will be applicable for a long period and even helps to notice the recent trends. The factors influencing the selection decision of mobile service providers also leads to customer satisfaction. Hence it is very necessary to understand consumer buying behavior before developing marketing strategies.

Literature review

The study by **(Rajpurohit & Vasita, 2011)**in hand reveals that consumers prefer a particular mobile phone service provider on the basis of call tariffs, network coverage and value added services. The consumers are highly influenced by their family members, friends and advertisement while selecting or buying a mobile phone service.

In the Study done by**(Chaudhari & Ambekar, 2013)** showed that in India, a number of cellular companies competing to provide efficient andquality services to their customers. The study in hand reveals that consumers prefer a particular mobile phone service provider on the basis of call tariffs, network coverage, value added services and the consumers are highly influenced by their family members

In order to know about customer's choice of MSP, **(Mohammed , 2009)**revealed that in Makkah, Saudi Arabia, financial factor is the most important factor in the selection of an MSP. Moreover, he added that there is no strong tendency among the customers to subscribe to the same service provider among family member and friends.

(Paulrajan & Rajkumar, 2011)in their study communication and price were most influential and most preferential factors in selecting telecommunication service provider. And , product quality, availability have a significant impact on consumer perception choice in selecting cellular mobile service provider.

(Singh, 2012) The study done in this paper is very elaborative which explains how customer preferences and the satisfaction level towards various telecom services providers in Punjab along with the factors influencing the purchase decisions of customers while buying a telecom service connection in Punjab. Researcher has collected sample of 300 respondents from three districts of Punjab participated in the survey. Some of the research techniques used in the study includes chi-square and factor analysis.

RESEARCH METHODOLOGY

In this research the major objective is to find out influencing factors in selecting mobile service provider by Students. The area selected for the study was Pune City. The population of study are students of Pune city, Pune city was particularly selected because it is well known for education and many students come from all parts of the country as well as the world for seeking education.

The primary data collected from students by using questionnaire as survey tool. 150 questionnaires were circulated and 117 complete filled questionnaires collected and proceed further for research.

Data analysis is done by using SPSS software (16.00 version).

Sample area:Pune city

Sampling method:Convenience random sampling

Respondent profile:

Table:1 Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	79	67.5	67.5	67.5
	Female	38	32.5	32.5	100.0
	Total	117	100.0	100.0	

Table: 2 Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below Or Ssc	1	.9	.9	.9
	HSC	33	28.2	28.2	29.1
	Graduate	60	51.3	51.3	80.3
	Other	23	19.7	19.7	100.0
	Total	117	100.0	100.0	

Table: 3 Company

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Idea	43	36.8	36.8	36.8
	Airtel	24	20.5	20.5	57.3
	Vodafone	28	23.9	23.9	81.2
	Docomo	9	7.7	7.7	88.9
	Reliance	3	2.6	2.6	91.5
	Uninor	1	.9	.9	92.3
	Other	9	7.7	7.7	100.0
	Total	117	100.0	100.0	

Table:4 Period Association with mobile service providers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less Than One Year	10	8.5	8.5	8.5
	More Than One Year	19	16.2	16.2	24.8
	Two Years	15	12.8	12.8	37.6
	More Than Two Years	73	62.4	62.4	100.0
	Total	117	100.0	100.0	

In this study factor analysis (Beri, 2009) was done to find out the important factors which subscribers preferred while selecting mobile service provider. Here by using SPPS the set of attributes (Given in **Exhibit 1.1**) are reduced into 4 major factors which is mentioned below in the **Exhibit 1.2**, and each respondent was asked to rate them according to their preferences which they have considered while selecting respective mobile service provider selection decision on a scale of 1 to 5 (1 being the least and 5 being the most important).

Exhibit 1.1: List of Attributes

1.	**Peer influence**	5.	**VAS & packs**	9.	**Recharge Availability**
2.	**Tariff**	6.	**Call Rate**	10.	**Customer Care**
3.	**Promotional Offers**	7.	**Network Quality**	11.	**Brand Image**
4.	**Flexibility in Plans**	8.	**Price Sensitivity**		

Data Analysis:

1.1Reliability Testing:

Table 5: Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.629	.630	11

This test was used to test reliability of research tool which used to collect data from respondent. The coefficient of Cronbach's Alpha is 0.630, hence this research instrument is sufficient to collect data.

1.2 Descriptive Statistics

Table 6: Descriptive Statistics

	N	Mean	Std. Deviation	Variance
1. Peer influence	117	2.7094	1.46252	2.139
2. Tariff	117	3.2735	1.37480	1.890
3. Promotional Offers	117	2.8376	1.42004	2.017
4. Flexibility in Plans	117	3.5470	1.41723	2.009
5. VAS & packs	117	3.4188	1.45175	2.108
6. Call Rate	117	3.5726	1.39776	1.954
7. Network Quality	117	3.9487	1.33808	1.790
8. Price Sensitivity	117	3.8120	1.18126	1.395
9. Recharge Availability	117	3.2991	1.40973	1.987
10. Customer Care	117	3.8547	1.24058	1.539
11. Brand Image	117	3.4530	1.39886	1.957
12. Valid N (listwise)	117			

In the descriptive analysis it was found that while selecting mobile service provider students have considered Network quality, customer care and Price sensitivity in that order as the important attributes. The respective variance of above attributes is also less when compared with other attributes.
Sample data of respondents have shown that Peer influence and promotional offers were less preferred attributes in the selection process.

1.3.1 KMO and Bartlett's Test
Table 7: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.588
Bartlett's Test of Sphericity	Approx. Chi-Square	167.727
	Df	55
	Sig.	.000

The KMO measures the sampling adequacy which should be greater than 0.5 for a satisfactory factor analysis to proceed.(www.sagepub.com, 2011). Here KMO statistic was also used to measure the appropriateness of the factor analysis.

Bartlett's test is another indication of the strength of the relationship among variables.
From the same table, we can see that the Bartlett's test of sphericity is significant That is, its associated probability is less than 0.05. In fact, it is actually 0.000, i.e. the significance level is small enough to reject the null hypothesis.

1.3.2: Total Variance Explained
It is the fourth most significant factor with 10.79 % of variance. The respondents considered
percent of total variance explained. The least important factors are peer influence and promotional offers and it has been observed that network quality and value added services are most influential factors considered by students while selecting mobile service providers.

Table:8Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.392	21.746	21.746	2.392	21.746	21.746	1.727	15.697	15.697
2	1.484	13.493	35.239	1.484	13.493	35.239	1.669	15.174	30.871
3	1.308	11.890	47.129	1.308	11.890	47.129	1.576	14.324	45.195
4	1.179	10.719	57.848	1.179	10.719	57.848	1.392	12.653	57.848
5	.987	8.975	66.823						
6	.865	7.867	74.689						
7	.748	6.798	81.487						
8	.619	5.632	87.119						
9	.549	4.988	92.107						
10	.474	4.307	96.414						
11	.395	3.586	100.000						

Table:8Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.392	21.746	21.746	2.392	21.746	21.746	1.727	15.697	15.697
2	1.484	13.493	35.239	1.484	13.493	35.239	1.669	15.174	30.871
3	1.308	11.890	47.129	1.308	11.890	47.129	1.576	14.324	45.195
4	1.179	10.719	57.848	1.179	10.719	57.848	1.392	12.653	57.848
5	.987	8.975	66.823						
6	.865	7.867	74.689						
7	.748	6.798	81.487						
8	.619	5.632	87.119						
9	.549	4.988	92.107						
10	.474	4.307	96.414						

Extraction   Method: Principal
Component Analysis.

1.3.3.Rotated Component Matrix[a]

Factor analysis was used here to understand the interdependence amongst the attributes

Table: 9 Rotated Component Matrix[a]

	Component			
	1	2	3	4
1. Peer influence	.253	-.002	.143	**.661**
2. Tariff	-.224	.190	-.035	**.791**
3. Promotional Offers	-.259	.252	**.701**	.065
4. Flexibility in Plans	-.041	**.780**	.180	-.028
5. VAS & packs	.142	**.540**	-.149	.331
6. Call Rate	.272	**.730**	.105	.029
7. Network Quality	**.783**	.169	-.139	.142
8. Price Sensitivity	**.686**	.132	.144	-.073
9. Recharge Availability	.146	.023	**.737**	-.009
10. Customer Care	.424	.013	**.445**	.088
11. Brand Image	.406	-.299	**.463**	.425

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 8 iterations.

Table : 10 Factor Loading

Factor Number	Name of Dimension	Item No.	Variables	Factor Loading
F 1	Network quality & Price	7 8	I prefer network which has vast network coverage and quality. I give first preference to quality then price.	.786 .686
F 2	Value added Services & Call rate	4 5 6	I have selected this MSP because of the flexibility in plan and packs. I selected my MSP on the basis of VAS and data plan. I generally choose MSP which gives low call rates.	.780 .540 .730
F 3	Brand & Customer Care	10 11	According to me customer care service is very important for long term association with MSP. I consider corporate brand image/reputation while selecting MSP.	.445 .463
F 4	peers influenceandTariff	1 2	I considered my friends and family advice while selecting MSP. I studied tariff plan while selecting MSP.	. 661 .791

Exhibit 1.2: List of Factors

Factor 1: Network quality & Price

Factor 2: Value added Services & Call rate

Factor 3: Brand & Customer Care

Factor 4: peers influenceandTariff

Most of respondent has given high preference to network quality and Tariff of services. Rest of parameters also showed the influence in buying decision. However the other parameters which got less important were considered as default standard for service delivery by students.

CONCLUSION

After the empirical research it has been found that Network quality, Price sensitivity and Customer care were the attributes that were considered the most by subscribers (students) while selecting mobile service provider, It means that the subscribers are more concerned towards network quality, pricing by mobile service providers and customer care operations.

It is clear that these attributes act as a major factor for customer satisfaction and thus eventually act as major factor for brand selection. Telecommunication industry in India still has large scope to expand and grow, hence telecommunication companies should focus on these attributes to increase customer base in near future

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"Questionnaire"

"Rate your preferences about mobile service provider (MSP) selection."

Research Topic: "A study of preferences considered by Students while selecting mobile service provider (MSP) in Pune city"

Researcher Name: Prof.DevikaShinde , Mr. SangramSalunke (BBM (IB) Student) (SKNCC)

1.Name:(Optional)_____

2.Mobile No:(Optional) _____

3.Email-Id:
(Optional)_____

4.Gender : (   )Male   (   )Female

5.Education(   )Below Or Ssc.   (   )Hsc   (   )Graduate ( ) Other

6. Which service provider (sim card) do you use?

(   )Idea ,(   )Airtel, (   )Vodafone , (   )Docomo, (   )Reliance, (   )Uninor, (   ) Aircel, Other_____

7. For how many years are you associated with this company?

(   )Less Than One Year   (   )More Than One Year

(   )Two Years   (   )More Than Two Years

10. Rate following statements according to your opinion. Mark your rating by tick mark (✔).

1.   There   is   no   right   or   wrong   in   this   questionnaire.
2.   Rate   the   questions   as   per   your   level   of   agreement.
3. If you feel a Statement is not all essential for you have in mind, then please select 1; if you feel such a statement is absolutely essential then please select 5. If your feelings are less strong then select one of the numbers in between.

Sr. No.	Statements	1(Low)	2	3	4	5 (High)
1.	I considered my friends and family advice while selecting MSP.					
2.	I studied tariff plan while selecting MSP.					
3.	I have selected MSP because I liked the promotion of the brand.					
4.	I have selected this MSP because of the flexibility in plan and packs.					
5.	I selected my MSP on the basis of VAS and data plan.					
6.	I generally choose MSP which gives low call rates.					
7.	I prefer network which has vast network coverage and quality.					
8.	I give first preference to quality then price					
9.	Recharge availability and online recharge discount					

	attracts me to MSP.					
10.	According to me customer care service is very important for long term association with MSP					
11.	I consider corporate brand image/reputation while selecting MSP					

Sign_____   DATE_____