

**A STUDY ON CELLULAR SERVICE INDUSTRY ON ITS SERVICE QUALITY, SATISFACTION AND BRAND
LOYALTY OF CUSTOMERS IN MADURAI**

Ms Vasundhara S, Full Time Research Scholar,
Anna University, Madurai.

Dr.T.Jothimurugan,
Director, Department Of Management Studies,
K.L.N College Of Engineering,
Sivaganga(dt)

Abstract

The objectives of this paper were to explore reasons why consumers prefer a specific mobile service and to explore the relationship between **Service Quality, Customer Satisfaction and Brand Loyalty**. The cellular service providers are using different sales promotional methods to attract the customers towards them. For further enhancement, to measure the **Customers' Satisfaction and Service Quality towards Brand Loyalty** of cellular service is important. The survey instruments used in the present study to measure **Brand Loyalty** were **Service Quality, Price, Product Quality, Promotional Quality** and **Customer Satisfaction**. Thus the structural equation modeling approach was necessary in order to examine the variables. **The findings revealed that reliability, responsiveness in service quality, reasonable price and customer satisfaction leads to brand loyalty towards cellular communication providers**. The researcher suggests that proper promotional offer with right service at the right time and enhanced product quality to make the customer satisfied and loyal to the service providers.

Keywords: Service Quality, Price, Product quality, Promotional quality, Customer satisfaction, Service/Brand loyalty.

1. Introduction

Indian economy has transformed from agriculture-dependent economy to a service-driven economy. The contribution of cellular sector to India's GDP is estimated 2.8 percent and 14.9 percent of the global wireless subscriber base in 2010. India's mobile market is the second largest in terms of subscribers in the world after china. The Cellular sector continued to register an impressive growth during the year. The number of telephone subscriptions increased from 846.32 million to 951.34 million, registering a growth of 12.41 %. The wireless subscriber base increased by 107.58 million and the wire line subscriber

base recorded a decline of 2.56 million. The wireless segment continued to dominate with a total base of 919.17 million connections. Teledensity is also an important indicator of cellular penetration in the country. Teledensity has increased from 18.2 percent in March 2007 to 77.9 percent in December 2011. While urban teledensity reached 167.4 percent at the end of December 2011 and rural teledensity was only 37.5 percent.

Service quality is increasingly recognized as being of key strategic value by organizations in both the manufacturing and service sectors (Lewis et al., 1994). According to Brown (1992), customers prefer organizations that deliver higher service quality, and suppliers can charge a premium for superior service qualities. Parasuraman et al. (1988) indicate that service quality has become a significant differentiator and the most powerful competitive weapon that all service organizations seek to possess. For an organization to gain competitive advantage in terms of **service quality**, it must use technology to gather information on market demand and exchange information between organizations for the purpose of enhancing **service quality**. According to Lee et al (2001) the mobile providers should build up customer commitment by providing good quality service to their customers. The list of GSM service providers are given below.

Cellular Communication Providers

S.No	Operator's Name	Subscribers (in millions)	Ownership
1	Airtel	181.91(December 2012)	Bharti Enterprises (64.76%) SingTel (32%) Vodafone (4.4%)
2	Reliance Communications	154.11 (September 2012)	Reliance ADAG (67%) Public (26%)
3	Vodafone	147.48 (December 2012)	Vodafone India (100%)
4	Idea Cellular	113.9(December 2012)	Aditya Birla (80.9%) Axiata Group Berhad (19.1%)
5	BSNL	97.17 (December 2012)	State-owned
6	Tata DoCoMo	90.09 (August 2012)	Tata Teleservices (74%) NTT DoCoMo (26%)
7	Aircel	63.35 (December 2012)	Maxis Communications (74%) Apollo Hospital (26%)
8	Videocon	3.64 (December 2012)	Videocon

Source: Telecom Regulatory Authority of India (TRAI).

2. Literature review

2.1 Service quality

Service quality is increasingly recognized as being of key strategic value by organizations in both the manufacturing and service sectors (**Lewis et al., 1994**). Competition has prompted firms to be more concerned with the quality of their service delivery, and Cellular sector is no exception. During the past few decades, service quality has become a major area of attention by practitioners, managers and researchers owing to its strong impact on business performance, costs, customer satisfaction, customer loyalty and profitability (**Leonard and Sasser, 1982; Cronin and Taylor, 1992; Gummesson, 1998; Silvestro and Cross, 2000**). As a result, there has been continued research on definitions, modeling, measurements, data collection procedures, data analyses etc. According to **Brown et al. (1992)**, customers prefer organizations that deliver higher Service Quality, and suppliers can charge a premium for superior service qualities.

Parasuraman, Zeithaml and Berry (1985) described Service Quality as the ability of an organization to meet or exceed customer expectations. In 1988, **Parasuraman, Zeithaml and Berry** developed a multiple-item scale for measuring Service Quality called SERVQUAL. SERVQUAL is a generic instrument for measuring perceived Service Quality that is viewed as the degree and direction of discrepancy between consumers' perceptions and expectations. The SERVQUAL model was used to collect the data from the respondents. **The positive relationship of Service Quality with customer satisfaction (Danaher and Mattsson, 1994; Kim et al., (2004). Cavana et al. (2007) reported that Service Quality dimensions (tangibles, responsiveness, empathy, assurance and reliability) should be considered in order to see its impact on customers of the service provider.**

2.1.1 Service Quality of cellular mobile

The success of Cellular industry depends on careful efforts and possible investments. The positive relationship of Service Quality with customer satisfaction (**Danaher and Mattsson, 1994; Kim et al., 2004**), customer preference (**Ranaweera and neely, 2003**), profitability (**Fornell, 1992; Danaher and Rust, 1996**), competitiveness (**Rapert and Wren, 1998**), is well proven in the academic literature.

Government of India - Department of Cellular's data shows that, both BSNL and MTNL are losing market share to private operators in the mobile telephony segment. BSNL and MTNL together are down from a 17% market share at the beginning of March 2008 to 13.6% in August 2009. In contrast, the private sector's share jumped from 83% to 86.4% during the same period. So the challenge for the mobile service providers in India is to find out the critical factors that influence the customer's preference.

Nowadays cellular mobile is a very necessary product for our daily communication. Service Quality measured by following terms as

2.1.2 Service Quality variables

Tangibles

- I. Information/Message in Top-up card is clear and useful
- II. Promotional offers are communicated properly
- III. Billing methods are transparent & simple
- IV. Retail outlets are available in enough numbers and are easily accessible
- V. Retail outlets are neat and easily accessible

Reliability

- I. Network coverage is reliable
- II. Voice clarity is good
- III. Delivery of SMS, MMS, Voice Message & other services are timely
- IV. Service are delivered promptly
- V. Service provider promises to do something by a certain time, they do so

Responsiveness

- I. Service Provider is always willing to help you?
- II. Service providers are giving attention to your problem?
- III. Are they getting your feedback?
- IV. Willingness to help at any time

Assurance

- I. Service providers are good in communicating clearly?
- II. Service providers are capable of understanding your problems?
- III. Service providers are capable of answering your queries?
- IV. Service providers have required skill & knowledge to answer your queries?
- V. Service providers are sincere & patient in resolving your problems?

Empathy

- I. Having convenient periods & terms for activation & recharge
- II. Having working hours convenient to all customers
- III. Apologizing for inconvenience caused to customers

2.2 Price

Draganska and Jain, (2003) states that a common strategy for a company extending their product or service is to differentiate their offerings vertically. In this era of information age, price competition has become cutthroat in the Cellular industry. **Yin and Paswan (2007)** indicate that price volatility is negatively associated with internal reference price. Consumers' price comparison propensity and price knowledge positively influence external reference price. They also mentioned that price volatility has a significant negative influence on consumer knowledge. Price is significant indicator of quality across services categories.

Price plays a vital role in Cellular market especially for the mobile Cellular service providers (**Kollmann, 2000**). It includes not only the buying price but also the call and rental charges. Generally, a price-dominated mass market leads to customers having more choices and opportunities to compare the pricing structures of diverse service providers. A company that offers lower charges would be able to attract more customers committing themselves to the telephone networks, and hence, significant number of "call minutes" might be achieved. Satisfactory Price Charge, Price does not has impact, Services are desirable than price, Price plays vital role are the terms used to study the Price quality.

2.3 Product quality

According to Lambert (1980), consumers often attribute quality to branded products on the basis of price, brand reputation, store image, market share, product features and country of manufacture. So, price is an indicator to measure the product quality, which is based on the theory that quality is a measure of the utility, or the want-satisfying capacity of products (**Sjolander, 1992**). A product's main functional features are the sources of the primary benefits that the consumers expect to obtain when purchasing a product. In general, consumers' evaluations of a product's overall quality are related to the availability of these features in comparison with the competition (**Lambert, 1980; Nowlis and Simonson, 1996**). Hence, it is necessary for the Cellular service providers to effectively communicate with the consumers for measuring the quality. Quality reflects the extent to which a product or service meets or exceeds consumers' expectations (Wal et al. 2002). Therefore, the success of the Cellular sector in the market place significantly depends on product quality. Product outlets available, Product outlets hardly reachable, Product offer best solution to need, Product offer best technology are the terms used to study the Product quality.

2.4 Promotional quality

Promotion is when companies inform, persuade, or remind customers and the general public of its products (**Kotler and Armstrong, 2003**). Promotions impact consumers' purchasing behavior and

decisions towards that particular brand, especially during the sales promotion period **(Freo,2005)**. Promotion is one of the medium which is used by organization to communicate with consumers with respect to their product offerings **(Rowley, 1998)**. According to **(Alvarez and Casielles, 2005)** promotion is a set of stimuli that are offered sporadically, and it reinforces publicity actions to promote the purchasing of a certain product. Promotional offer consists of several different objects to create a better sale impact, for example, coupons, samples, premiums, discounts, contests, point-of-purchase displays and frequent-buyer programs. Each of the promotion techniques is intended to have a direct impact on buying behavior and perception about the company or service providers. Attractive promotional offer, Promotional offer does not attract, Real need than, promotional offer, Consider services at the time of same, promotional offer are the terms used to study the Promotional quality.

2.5 Customer satisfaction

Satisfaction of customers with products and services of a company is considered as most important factor leading toward competitiveness and success **(Hennig-Thurau and Klee, 1997)**. Customer satisfaction is actually how customer evaluates the ongoing performance **(Gustafsson, Johnson and Roos, 2005)**. Therefore a firm should concentrate on the improvement of Service Quality and charge appropriate fair price in order to satisfy their customers who would ultimately help the firm to retain its customers. According to **(Kim, Park and Jeong 2004)** customer satisfaction is customer's reaction to the state of satisfaction, and customer's judgment of satisfaction level. Customer satisfaction is very important in today's business world as according to **(Deng et al., 2009)** the ability of a service provider to create high degree of satisfaction is crucial for product differentiation and developing strong relationship with customers.

Customer satisfaction makes the customers loyal to one Cellular service provider. Previous researchers have found that satisfaction of the customers can help the brands to build long and profitable relationships with their customers **(Eshghi, Haughton and Topi, 2007)**. Though it is costly to generate satisfied and loyal customers but that would prove profitable in a long run for a firm **(Anderson, Fornell and Mazvancheryl, 2004)**. **(Kandampully 1998)** states that the firms with loyalty to offer services to their customers yield returns in the shape of satisfied customers who are willing to stay with the organisation. The impact of Service Quality on customer satisfaction and loyalty was confirmed by Omotayo and Joachim study (2011), the study conducted on 148 subscribers of major cellular companies in Nigeria. It was founded that Service Quality has a positive impact on satisfaction and loyalty. **(Caruana 2002)** evaluated and analyzed service loyalty over 1200 retail banking customers in state of Malta. Study

results showed that customer satisfaction had a mediating role in the effect of Service Quality on service loyalty.

(Henkel et al. 2006) have discussed in their findings that satisfied customers in the cellular sector have high future intentions to stay with the company and future repurchase intentions. **(Mittal and Lassar 1998)** utilized the Technical and Functional Quality perspectives in order to compare the concepts of customer loyalty with satisfaction. The study found that, in a high contact service where a customer's direct contact with the service provider was relatively intense. Satisfaction is an important predictor of customer loyalty **(Yang and Peterson, 2004)**, and the strength of the relationship between the two is strongly influenced by customer characteristics such as variety seeking, age and income **(Homburg and Giering, 2001)**. Demographic variables such as education and age have also been found to be good predictors of the level of customer satisfaction **(Tsiotsou and Vasioti, 2006)**. Satisfied customers tend to use a service more often than those not satisfied **(Bolton and Lemon, 1999)**, they present a stronger repurchase intention, and they recommend the service to their acquaintances **(Zeithaml et al., 1996)**.

Customer satisfaction measured by using the terms as:

- a) Satisfaction with time taken for activation
- b) Satisfaction with accuracy of charges & clarity of bills
- c) Satisfaction towards the solution for billing complaints
- d) Satisfaction with timely delivery of bills
- e) Satisfaction with ease of accessing customer care
- f) Satisfaction with problem solving ability

2.6 Brand loyalty

Brand loyalty is a consumer's preference to buy a particular brand in a product category. **(Aaker and Keller, 1990)** believe that loyalty is closely associated with various factors, one of the main ones being the experience of use. Customers may be loyal owing to high switching barriers related to technical, economical or psychological factors, which make it costly or difficult for the customer to change. **(Aaker 1991, p. 39)** defines brand loyalty as the attachment that a customer has to a brand. Brand loyalty is more than simple repurchasing.

(Jacoby and Kyner 1973) viewed brand loyalty as a multidimensional construct involving attitudinal components and as a subset of repeat purchase behaviour. Brand loyalty is the strength of the relationship between the relative attitude towards a brand and patronage behaviour **(Dick and Basu, 1994)**. According to **(Bloemer and Kasper 1995)**, real brand loyalty should include brand preferences

and repurchase behaviors that present in a long term commitment, brand commitment and psychological processing decision making and evaluation function while **(Fornell 1992)** proposes that brand loyalty can be measured from customer repurchase intention and price tolerance.

The following term are used to measure the brand loyalty,

- a) You like your cellular service
- b) Continuously using a particular service for more than six months
- c) if your service provider is not available still you search for your service provider
- d) Are you ready to pay high for your cellular service
- e) if similar to your current cellular service, a new firm offers less price, still you prefer your current one
- f) you aware everything about your service provider
- g) you are having positive attitude towards your service provider
- h) your service provider is everything for you

3. Research Methodology:

The research design for the study is descriptive. The **main objective of this study is to find out the linkage between Service Quality, customer satisfaction and brand loyalty towards various GSM service providers.** The methodology of the study is based on the primary data and secondary data. The study depends mainly on the primary data collected through a structured questionnaire to obtain the opinions of the respondents. Questionnaires consist of two parts. First part consists of the respondents' socio economic details and second part consists of Service Quality variables, price and product quality variables, promotional, satisfaction variables and brand loyalty variables. The study is confined to Madurai city. Purposive Sampling Method was used in the study to collect the data. The questionnaire were designed with likert type scale such as 5=highly satisfied and 1=highly dissatisfied. A total of 500 questionnaires have been distributed and out of which 462 were received. After the examination of these questionnaires, 22 questionnaires were rejected on account of incomplete responses. Finally, 440 completed questionnaires (88%) were used for the present study. Reliability and descriptive statistics were used for analysis. In accordance with the Cronbach alpha test, the total scale of reliability for this study varies from 0.841 to 0.936, indicating an overall higher reliability factors. SEM (structural Equation Model) has been carried out to investigate the influence of Service Quality, Price, Product, Promotion quality variables on customer satisfaction and brand/service loyalty in selecting the Cellular services providers.

3.1 Research hypothesis:

H1: Each Service Quality variables Tangibility (H1a), Reliability (H1b), Responsiveness (H1c), Assurance (H1d), Empathy (H1e) has a significant influence on over all Service Quality.

Tangibility (H2), Reliability (H3), Responsiveness (H4), Assurance (H5), Empathy (H6) has a significant influence on Customer Satisfaction in selecting Cellular service provider.

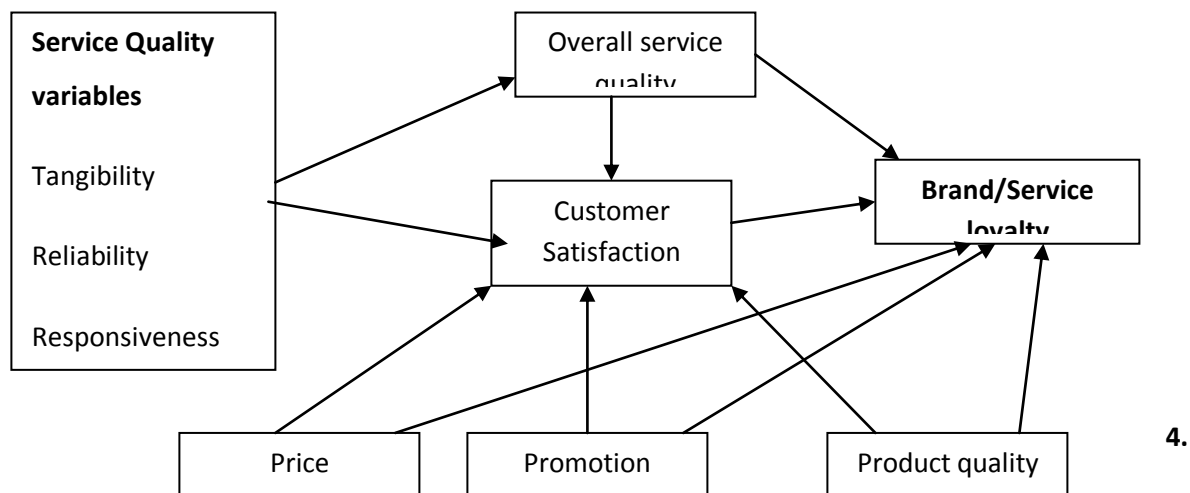
H7: over all Service Quality has a significant influence on Customer Satisfaction.

Price (H8), Product quality (H9), Promotion (H10) has a significant influence on Customer Satisfaction.

H11: Customer Satisfaction has a significant influence on brand Loyalty in selecting Cellular service provider. Overall Service Quality (H12), Price (H13), Product quality.

(H14), Promotion (H15) has a significant influence on brand Loyalty in selecting Cellular service provider.

Figure 1 shows the proposed Theoretical model



Results and discussion, Table 4.1 – Shows Socio Economic variables of the respondents

S.No	Variable	Attributes	Frequency	Percentage
1	Age of the respondents	Below 25	77	17.5
		26-35	140	31.8
		36-45	94	21.4
		46-60	76	17.2
		60 and above	53	12.1
2	Gender of the respondents	Male	266	60.5
		Female	174	39.5
3	Marital status	Married	162	36.8
		Unmarried	87	19.8
		Single	191	43.4
		SSLC	45	10.2
		+2	65	14.8

4	Educational qualification	Diploma	89	20.2
		Degree	124	28.2
		Post Graduate	70	15.9
		Others	47	10.7
5	Occupation	Private	88	20.0
		Government	75	17.0
		Self employed	132	30.0
		Professional	97	22.0
		Others	48	11.0
6	Monthly income level (in rupees)	below 15000	73	16.5
		15001 - 25000	137	31.2
		25001 - 35000	176	40.0
		35001 and above	54	12.3

Source: Primary Data

The above table 4.1 shows the socio economic conditions of the respondents. 31.8 % of the respondents are in the age group of 26-35 years. 60.5 % of the respondents are Male. 43.4 % of the respondents are Single. 28.2% of the respondents are in the degree holders. 30% of the respondents are self employed. 40 % of the respondents are in the 25001-35000 rupees monthly income group.

Table 4.2 -Reliability and Descriptive analysis

S.No	Variables	Cronbach's Alpha	No. of statements (Items)	Mean	Std. Deviation	"t" Value
1	Tangibility	0.879	5	3.921	1.035	4.564
2	Reliability	0.913	5	3.506	0.717	-6.227
3	Responsiveness	0.853	4	3.635	0.916	5.613
4	Assurance	0.870	5	3.460	1.145	0.584
5	Empathy	0.879	3	3.655	0.980	0.201
6	Overall Service Quality	0.849	22	3.584	1.009	-4.491
7	Price Quality	0.856	4	4.464	1.269	-.731
8	Product Quality	0.936	4	4.668	1.315	2.733
9	Promotional quality	0.928	5	3.548	1.059	-2.598
10	Customer satisfaction	0.841	6	4.402	1.134	6.137

Source: Primary Data

The result in Table 2 indicates that the Cronbach's Alpha for the 41 items is between the ranges of 0.841 to 0.936, which shows the consistency and reliability of the measure are considered as acceptable.

Validity, reliability and unidimensionality

Before analyzing the SEM model, the validity and reliability of the constructs must be assessed. The unidimensionality and reliability of the scales must also be established before their convergent and Discriminant validity is assessed (**Anderson and Gerbing, 1982**). A Confirmatory factor analysis (CFA) was conducted for each constructs to determine whether the 41 indicators were assigned adequately. Maximum likelihood estimation was employed to estimate the CFA model. The SEM model was developed using AMOS graphics. In order to evaluate the model, emphasis was given to Chi-square/degrees of freedom (χ^2/df), CFI, GFI, AGFI, TLI, IFI, RMSEA and PGFI. As per the result, Chi square statistics with $p = 0.206$ ($P\text{-value} > 0.05$) show a good fit of the model. Common model-fit measures like chi-square/degree of freedom (χ^2/df), the Comparative Fit Index (CFI), Root Mean Square Error of Approximation (RMSEA), the Normed Fit Index (NFI), Incremental Fit Index (IFI), and the Tucker Lewis index (TLI) were used to estimate the measurement model fit.

Figure 2: Influence of Service Quality variables, Price, Product, Promotion quality variable on customer satisfaction and brand loyalty

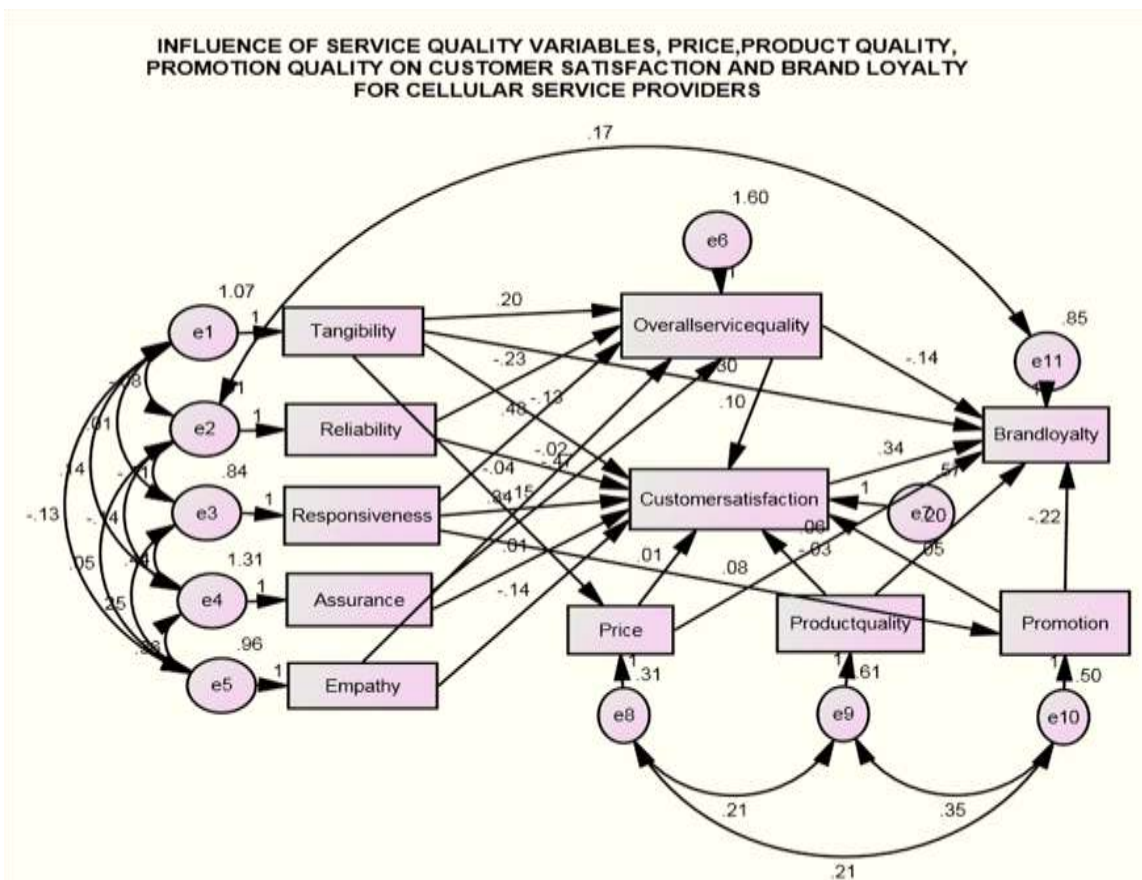


Table 4.3-Model fit indices

Fit Indices	Results	Suggested values
Chi-square	19.603 (0.418) df: 19	P-value >0.05
Chi-square/degree of freedom (x ² /d.f.)	1.0317	≤ 5.00 (Hair et al., 1998)
Comparative Fit index (CFI)	0.9993	>0.90 (Hu and Bentler, 1999)
Goodness of Fit Index (GFI)	0.9920	>0.90 (Hair et al. 2006)
Adjusted Goodness of Fit Index (AGFI)	0.9724	> 0.90 (Daire et al., 2008)
Normated Fit Index (NFI) Delta1	0.9786	≥ 0.90 (Hu and Bentler, 1999)
Incremental Fit Index (IFI)	0.9993	Approaches 1
Tucker Lewis Index (TLI)	0.9979	≥ 0.90 (Hair et al., 1998)
Root mean square error of approximation (RMSEA)	0.0085	< 0.08 (Hair et al., 2006)
Parsimony goodness-of-fit index (PGFI)	0.2855	Within 0.5 (Mulaik et al., 1989)

Source: Primary Data

Table 4.3 shows the estimates of the model fit indices from AMOS structural modeling. The GFI of this study was 0.995 more than the recommended value of 0.90; the other measures fitted satisfactorily; AGFI=0.9724, CFI=0.9993, TLI=0.9979, IFI=0.9993 and NFI=0.9786 with x²/DF < 5 at 1.0317 and RMSEA=0.0085 (Bagozzi and Yi, 1988) indicate a good absolute fit of the model. Goodness of fit indices supports the model and these emphasized indices indicate the acceptability of this structural model.

Table 4.4- Model fit assessment -Standard Estimation of the Model

	Estimate	S.E.	C.R.	P	HYPOTHESIS
Overall Service Quality (OSQ) <--- Tangibility	.1990	.0598	3.323	.001	H1a: Accepted
OSQ <--- Reliability	-.2294	.0874	-2.621	.009	H1b: Accepted
OSQ <--- Responsiveness	.4814	.0745	6.456	.001	H1c: Accepted
OSQ <--- Assurance	-.4732	.0611	-7.734	.001	H1d: Accepted

	Estimate	S.E.	C.R.	P	HYPOTHESIS
OSQ <---Empathy	.3365	.0676	4.976	.001	H1e:Accepted
Customer satisfaction (CS)<---Tangibility	-.1457	.0469	-3.105	.002	H2:Accepted
CS <---Reliability	.0053	.0389	.1380	.890	H3:Rejected
CS <---Responsiveness	-.1423	.0415	-3.428	.001	H4:Accepted
CS <---Assurance	.0087	.0790	.1105	.912	H5:Rejected
CS <---Empathy	-.0322	.0612	-.5261	.599	H6:Rejected
CS <---OSQ	.1007	.0285	3.533	.001	H7:Accepted
CS <--- Price	.2038	.0718	2.837	.005	H8:Accepted
CS <---Product quality	.0478	.0711	.6729	.500	H9:Rejected
CS <---Promotion	-.2189	.0828	-2.642	.008	H10:Accepted
Brand loyalty(BL)<-- CS	.3368	.0542	6.211	.001	H11:Accepted
BL<---OSQ	-.1441	.0307	-4.685	.001	H12:Accepted
BL <---Price	-.0631	.0927	-.6811	.496	H13:Rejected
BL <---Product quality	-.0444	.0210	-2.111	.035	H14:Accepted
BL <---Promotion	-.3026	.0432	-7.004	.001	H15:Accepted

Source: Primary Data

5. Hypotheses testing

Figure 2 depicts the full model. Out of the 19 paths hypothesized model, five paths were not significant at $p < 0.05$ and fourteen paths are significant. Service Quality variables have a significant influence on over all Service Quality in selecting cellular service provider. Therefore H1a to H1e are not rejected at 0.5 level of significance $p > 0.001$. Tangibility (H2) and Responsiveness (H4) have a significant influence on customers' satisfaction in selecting cellular service. Therefore, this hypothesis is accepted at $p < 0.001$. Reliability (H3), Assurance (H5) and Empathy (H6) has no significant influence on customers' satisfaction; therefore, this hypothesis is rejected at $p < 0.001$. To satisfy the customer, the service providers should concentrate more on Network coverage, Voice clarity and proper Service delivery to increase reliability on them. Understanding the customer problems, answering customer's queries and resolving their problems in time may increase the assurance on the service providers. Activation & recharge in easy way and apologizing for any inconvenience occurs may increase the empathy on the

service providers. Over all Service Quality has a significant influence on customers' satisfaction (H7) and brand loyalty (H12) in selecting cellular service which is accepted at $p < 0.001$. Over all Service Quality is positively and significantly related to brand loyalty. This finding reflects the same results of Nadam Jahangir et al., 2009; when customers are perceived that the quality of the product is up to their expected level they are satisfied. Price has a significant influence on customers' satisfaction (H8) in selecting cellular service. Therefore, this hypothesis is accepted at $p < 0.001$. Price has not significant influence on brand loyalty (H14) in selecting cellular service. Therefore, this hypothesis is rejected at $p < 0.001$.

The result showed that Price emerges as the important factor which affects customers' preference in selecting cellular service. Price is a significant aspect for satisfying the customer. Service providers must concentrate their efforts on reasonable call charge, price reduction, free short message service and other value added services in reasonable price. This result is similar to the outcome of **(Rajkumar Paulrajan and Harish Rajkumar 2011)** on Price has significant positive impact on consumer choice in selecting telecommunication service provider. Product quality (H9) has no significant influence on customers' satisfaction in selecting cellular service. Therefore, this hypothesis is rejected at $p < 0.001$. Hence the service providers should concentrate on the availability of product in the outlets, reachable of outlets, latest technology, product functionality, or performance of a product, design, and customization. Promotion has a significant influence on customers' satisfaction (H10) and Brand loyalty (H15) in selecting cellular service. Therefore, these hypotheses are accepted at $p < 0.001$. Promotion has significant impact on consumer choice in selecting cellular service provider since; it is used to communicate with the consumers with respect to product offerings. According to the study of **(Alvarez and Casielles 2005)**, promotional offer of a product states at the moment of purchase as an explanatory element of the process. Hence customer satisfaction may be obtained by solving their billing issues, clear and clarity in tariff plans, proper solution to their complaints, easy access to the customer care.

6. Conclusion:

This study was undertaken to examine and understand the consumers' Service Quality, satisfaction and brand loyalty towards cellular service providers. Brand loyalty is widely varied in accordance with the Service Quality, Price, Product quality, Promotional quality and satisfaction. The study provides more useful and practical suggestions for researchers and managers in improving Service Quality, creating and maintaining customer loyalty and achieving customer satisfaction. It is found that Service Quality has a

positive and strong effect on customer satisfaction which may attract the customer towards the cellular service provider.

It has been revealed that the customer satisfaction is the most significant predictor of the customer loyalty. The outcome of this research shows relationships among several dimensions of Service Quality, price, product quality, promotional quality and customer satisfaction with brand loyalty. In competitive environment, mobile phone service providers need to ensure that right service is provided the first time (Lai et al, 2007). It is critical for mobile phone companies to honour their promises in fulfilling users' requirement (Negi et al., 2009). Furthermore, the competition in the mobile communication market will grow much more intense in the following years. Thus, more foreign companies will enter into the Indian market and creating tough competition among the cellular service providers. Therefore, firms expecting to build and maintain competitive advantages in this market must try their best to improve Service Quality, deliver superior product quality, reasonable price and frequent promotional offer, achieve higher customer satisfaction and brand loyalty. The first limitation was based on the sample area for the study which is confined to Madurai and urban area only. Second, this study used purposive sampling procedure to collect the data. Further research is needed to examine rural area in Madurai with additional samples before generalizations can be made.

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