

“ANALYSIS OF BARRIERS & BOTTLENECK OF MOBILE COMPANIES WITH CUSTOMERS”

ASHOK K.SINHA¹

NISHA SINGH²

1. ABSTRACT

This paper deals with the Barriers & bottleneck of mobile companies in relation to their customers. In the era of globalization each and every sector of business became very critical. Removal of barriers & bottleneck is very crucial in the growth of a company and thus it has become very important for the survival of Mobile Companies business. In the last few years, the number of subscribers to Mobile/cellular phones has tremendously increased, quickly exceeding those of fixed lines and have become twice more diffused than fixed lines. Besides affordability, there are some other barriers which arise due to many factors like per capita income, occupation of the villager, distance from the market & presence of electricity. These barriers have been analyzed with the help of questionnaire administered to 300 respondents

Keywords: Era of Globalization, Per Capita Income, Barriers & Bottleneck

2. INTRODUCTION

The first mobile phone was launched in India during 1990s and the first mobile phone company was Nokia. First Mobile service provider was Modi Groups in 1995 and started in Kolkata, somewhere it was signed that mobile service provider was launched in 1994. Mobile/cellular industry has a great potential for Developed countries as well as for developing countries. In past recent years it has been noticed that there is a steady growth of mobile line subscribers even in low-GDP countries. The study focuses on: Barriers & bottleneck faced by mobile companies. In the last few years, the number of subscribers to Mobile/cellular phones has tremendously increased, quickly exceeding those of fixed lines. Although the mere numbers could seem not particularly significant, we have to take into account the fact that many poor people cannot afford to buy a personal cellular phone/service. The principal barrier in the expansion of mobile phones is closely related to the poverty of people the state. While many studies have shown that there exists a possible positive relationship between mobile phones usage and income, yet also it is expanding even in rural areas in a different way. The most common way to use mobile phones is the sharing strategy. If the people who cannot afford a mobile phone, they share common terminals having their own airtime vouchers. This let people to be aware of the potentiality of mobile phones for communications. An individual initiates communications in order to acquire

data or information from a central source. Another potential barrier could be the lack of electricity in many developing regions. Power supply from main power companies is typically the lack of proper power supply is a major barrier in the expansion of this technology. The bottleneck for mobile phones is that they need energy for recharge the batteries. Although unique method for overcoming this constraint have been developed by the population in several ways. In some places there are people every week collect all the mobile phones of the community and take them to the nearest town with electricity to recharge them. It is interesting to note that the private companies are playing hesitate to invest in the rural market because of the reason that the high cost of infrastructure. Private mobile companies currently have not yet customized products and services to explore the rural masses. Only concentrating on the urban product and services will not attract many rural customers. Factors responsible for barriers are:

a. income- customer base will show a positive growth as the intent for consumption increases amongst villagers. This in turn, will be measured using a set of inputs such as per capita income. Higher the income, greater is the propensity to adopt mobile/ land line.

b. Residing in-Distance from city, impacts the connectivity and that in turn lessens the customer base for a service provider. It is generally seen that far flung villages, lack basic infrastructure to promote connectivity. The last mile connectivity can be a problem.

c. Availability of Power- Recharging of mobile phones will be difficult, if there is no electricity in a village. Similarly, running of telephone exchanges will be a serious issue. It is of utmost importance that private players move into the rural areas

d. Occupation of the villager-Occupation of the villager is an important indicator of the growth of tele density in the rural areas. It is generally noted that the farmers, with land holdings, will require current and updated information about weather and market prices for planning their activities. On the contrary a landless laborer will have lower levels of requirement for connectivity.

3. REVIEW OF LITERATURE

Madhwavaih C. Krishnamacharyulu C S G & Akhtar P, 2008: studied on the topic “Service Quality and Customer Behavioral Intentions In fixed Telephone Services: A Case Study Of BSNL” It was found that the SERVQUAL dimensions- tangibles, reliability, responsiveness, assurance and empathy- have influence on behavioral intensions. BSNL should improve its service quality and thereby customer patronage. BSNL has to show sincere interest in solving

problems of customers and perform the service right to the first time. It has to make the employees always be willing to help the customers and make its employees to never say too busy to respond to customer' requests. The turbulent environment in which financial institutions evolve motivates strategic thinking aimed at competitive advantage *Bergeron Jasmin & Roy Jasmin, 2008*. Drawing from the literature on relationship marketing, one potentially successful strategy at the level of front line service is for financial advisors to behave in a pleasantly surprising way toward their clients (e.g., acknowledging a family member's birthday; covering a parking expense; giving tickets to an entertainment venue. According to *Bhandari Deepak & Purohit Abha (2008)*: the communication services have witnessed a phenomenon change over last few years. The numbers of service providers has increased significantly. This study reveals that reasons for having mobile phone significantly depend upon demographic profile of consumers. However there is a scope to improve services in order to match the expectations of the consumers. *Singh A.N., Parihar BBS & Parihar Deepika (2008)*: discussed that with the decrease in the prices of cellular phone sets and the tariff rates has paved the way for the increase usage of mobile phones among Indians. The study shows the steady increase in the number of cellular phone users, the improvement in the quality of service of BSNL will attract more new subscribers and would help to retain the existing subscribers' in the future competitive market.

Telecommunication industry in Nigeria is not diversified and retaining customer is one important strategy available to telecom companies in order to remain competitive *Oyeniya, Omotayo and Abiodun Abolaji Joachim (2008)*. Though the industry is currently growing in terms of coverage and customer base, retaining customer should be an attractive option than attracting new customers since it is less expensive. This study examined the potential constructs in customer retention by investigating the chain of effects of retention from customer service, satisfaction, value and behavioral intention. There is still a great scope of further strengthening these relationships with the consumers *Goyal B B & Singh Jagwinder (2007)*. The services providers must continuously monitor and meet changing customers needs; streamline processes and restructure for quicker response to customer's demands. On the other hand *Antón Carmen, Camarero Carmen & Carrero Mirtha (2007)* opine that most previous research on consumers' switching intention has focused on individual variables that have immediate effects on consumers' intentions or behaviors, rather than analyzing it as a complex phenomenon. This article provides evidence that some service provider behaviors precipitate relationship

dissolution, whereas other behaviors create a predisposition to switch. While poor service quality and low firm commitment undermine consumer satisfaction and have only an indirect effect on switching intentions, price unfairness and anger incidents have a strong effect on switching. *Shankar Ravi & Debnath Roma Mitra (2006)* finds a useful insight in answering the question as to which service provider adds more value to customer in terms of converting inputs to outputs in the best possible manner. As generally accepted that all of them are operating under some or other limitations in terms of limited resources. An optimum use of the resources to maximize the efficiency is the main objective of the service providers. The approach also helps other stakeholders like administrators and planner by giving them insights related to identification of priority area for improvement. Customer satisfaction with a company's products or services is often seen as the key to a company's success and long-term competitiveness *Hennig-Thurau Thorsten & Klee Alexander (1997)*. In the context of relationship marketing, customer satisfaction is often viewed as a central determinant of customer retention. However, the few empirical investigations in this area indicate that a direct relationship between these constructs is weak or even nonexistent. *Korner Veith & Hans-Dieter Zimmermann (2000)* explains the development of the Digital Economy will have a fundamental impact on the structures and processes of economic systems. They focus on the relationship between suppliers and customers in the described context & analyze the challenges for the financial industry arising from the general development of the Digital Economy.

4. DATA ANALYSIS & INTERPRETATION

4.1 Gender: Total numbers of respondents are 300 out of them 170(56.7%) respondents are male & 130(43.3%) respondents are female.

a. Customer Vs Reasons of losing (Price related reasons)

Table- 2 shows, out of total respondents, 61(20.3%) respondents are strongly satisfied that organization loose customer due to price related reason, among them 50(16.7%) are male & 11(3.7%) respondents are female; Out of total respondents 58(19.3%) respondents are somewhat agree that organization loose customer due to price related reason, among them 33(11.0%) respondents are male & 25(8.3%) respondents are female; Out of total respondents 103(34.3%) respondents are neither agree nor disagree that organization loose customer due to price related reason, among them 40(13.3%) respondents are male and 63(21.0%) respondents are female; Out of total respondents 10(3.3%) respondents are disagree somewhat organization loose customer

due to price related reason, among them 6(2.0%) are male & 4(1.3%) respondents are female; & Out of total respondents 68(22.7%) respondents are strongly disagree that organization loose customer due to price related reason, out of which 41(13.7%) are male & 27(9.0%) respondents are female.

Table-1

		In your opinion what may be the reasons of losing customers by organizations price related reasons						Total	Karl Pearson's Coefficient Of Correlation	Pearson Chi-Square (χ^2)
		strongly agreed	agree somewhat	neither agree nor disagree	disagree somewhat	strongly disagree				
sex	male	Count	50	33	40	6	41	170	+0.124	29.650
		% of Total	16.7%	11.0%	13.3%	2.0%	13.7%	56.7%		
	female	Count	11	25	63	4	27	130		
		% of Total	3.7%	8.3%	21.0%	1.3%	9.0%	43.3%		
Total		Count	61	58	103	10	68	300		
		% of Total	20.3%	19.3%	34.3%	3.3%	22.7%	100.0%		

Karl Pearson coefficient of correlation is +0.124 it signifies that there is a less positive correlation in between the two variables, i.e. "Gender & organization loose customer due to price related reason". Calculated value of χ^2 for degree of freedom 4 at 5% level of significance is 13.620 and χ^2_{tab} is 9.488. As the calculated value of chi-square is more than tabulated value therefore null hypothesis is rejected, i.e. "Gender & organization loose customer due to price related reason" are dependent. Or it can be concluded that there is an impact of Gender/Gender

on the views regarding the statement that organization loose customer due to price related reason.

b. Customer Vs Reasons of loosing (Product related)

Table – 2 shows, out of total respondents, 55(18.3%) respondents are strongly satisfied that organization loose customer due to product related reason, among them 35(11.7%) are male & 20(6.7%) respondents are female; Out of total respondents 140(46.7%) respondents are somewhat agree that organization loose customer due to product related reason, among them 74(24.7%) respondents are male & 66(22.0%) respondents are female; Out of total respondents 39(13.0%) respondents are neither agree nor disagree that organization loose customer due to product related reason, among them 15(5.0%) respondents are male and 24(8.0%) respondents are female; Out of total respondents 6(2.0%) respondents are disagree somewhat organization loose customer due to product related reason, among them 2(2.7%) are male & 4(1.3%) respondents are female; & Out of total respondents 60(20.0%) respondents are strongly disagree that organization loose customer due to product related reason, out of which 44(14.7%) are male & 16(5.3%) respondents are female.

Table-2

		Product related						Total	Karl Pearson's Coefficient Of Correlation	Pearson Chi-Square (χ^2)
		strongly agreed	agree somewhat	neither agree nor disagree	disagree somewhat	strongly disagree				
sex	male	Count	35	74	15	2	44	170	- 0.080	15.297
		% of Total	11.7%	24.7%	5.0%	.7%	14.7%	56.7%		
	female	Count	20	66	24	4	16	130		
		% of Total	6.7%	22.0%	8.0%	1.3%	5.3%	43.3%		

			agreed	at	nor disagree	at	disagree		n	(χ^2)
sex	male	Count	39	51	35	2	43	170	+15.838	-0.091
		% of Total	13.0%	17.0%	11.7%	.7%	14.3%	56.7%		
	female	Count	32	32	49	2	15	130		
		% of Total	10.7%	10.7%	16.3%	.7%	5.0%	43.3%		
Total		Count	71	83	84	4	58	300		
		% of Total	23.7%	27.7%	28.0%	1.3%	19.3%	100.0%		

Karl Pearson coefficient of correlation is -0.091 hence It signifies that there is a less negative correlation in between the two variables, i.e. “Gender & organization loose customer due to service related reason”. Calculated value of χ^2 for degree of freedom 4 at 5% level of significance is 15.838 and χ^2_{tab} is 9.488. Since calculated value of chi-square is more than tabulated value therefore null hypothesis is rejected, i.e. “Gender & organization loose customer due to service related reason” are dependent. Or it can be concluded that there is an impact of Gender/Gender on the views regarding the statement that organization loose customer due to service related reason.

d. Customer Vs Reasons of losing (Benefit related)

Table- 5 shows, out of total respondents, 53(17.7%) respondents are strongly satisfied that organization loose customer due to benefit related reason, among them 36(12.0%) are male & 17(5.7%) respondents are female; Out of total respondents 123(41.0%) respondents are somewhat agree that organization loose customer due to benefit related reason, among them 58(19.3%) respondents are male & 65(21.7%) respondents are female; Out of total respondents

43(14.3%) respondents are neither agree nor disagree that organization loose customer due to benefit related reason, among them 22(7.3%) respondents are male and 21(7.0%) respondents are female; Out of total respondents 13(4.3%) respondents are disagree somewhat organization loose customer due to benefit related reason, among them 11(3.7%) are male & 2(0.7%) respondents are female; & Out of total respondents 68(22.7%) respondents are strongly disagree that organization loose customer due to benefit related reason, out of which 43(14.3%) are male & 25(8.3%) respondents are female.

Table-4

		Benefit related					Total	Karl Pearson's Coefficient Of Correlation	Pearson Chi-Square (χ^2)	
		strongly agreed	agee somewhat	neither agree nor disagree	disagree somewhat	strongly disagree				
sex	male	Count	36	58	22	11	43	-0.059	13.128	
		% of Total	12.0%	19.3%	7.3%	3.7%	14.3%			56.7%
	female	Count	17	65	21	2	25			130
		% of Total	5.7%	21.7%	7.0%	.7%	8.3%			43.3%
Total		Count	53	123	43	13	68	300		
		% of Total	17.7%	41.0%	14.3%	4.3%	22.7%	100.0%		

Karl Pearson coefficient of correlation is -0.059 hence it signifies that there is a less negative correlation in between the two variables, i.e. "Gender & organization loose customer due to benefit related reason". Calculated value of χ^2 for degree of freedom 4 at 5% level of significance is 13.128 and χ^2_{tab} is 9.488. Since calculated value of chi-square is more than tabulated value therefore null hypothesis is rejected, i.e. "Gender & organization loose customer due to benefit related reason" are dependent. Or it can be concluded that there is an impact of Gender/Gender

			agreed	somewhat	agree nor disagree	somewhat	disagree		Of Correlation	Square (χ^2)
sex	male	Count	19	51	66	27	7	170	-0.066	12.036
		% of Total	6.3%	17.0%	22.0%	9.0%	2.3%	56.7%		
	female	Count	7	62	40	19	2	130		
		% of Total	2.3%	20.7%	13.3%	6.3%	.7%	43.3%		
Total		Count	26	113	106	46	9	300		
		% of Total	8.7%	37.7%	35.3%	15.3%	3.0%	100.0%		

Karl Pearson coefficient of correlation is -0.066. Hence it shows that there is a less negative correlation in between the two variables, i.e. “Gender & organization loose customer due to personal reason”. Calculated value of χ^2 for degree of freedom 4 at 5% level of significance is 12.036 and χ^2_{tab} is 9.488. Since calculated value of chi-square is more than tabulated value therefore null hypothesis is accepted, i.e. “Gender & organization loose customer due to personal reason” are independent. Or it can be concluded that there is an impact of Gender/Gender on the views regarding the statement that organization loose customer due to personal reason.

CONCLUSION:

Each and every organization in present focuses on customer needs and want to satisfy them to the best of it by removing various barriers and bottleneck by effective handling the customers’ complaint, making customers satisfied and creating relationship with them. It is suggested to the mobile companies or service providers, that there should be proper distribution and growth of mobile services in all areas including urban, semi urban and rural areas. The main features of a mobile service that a customer consider when he/she opt for a particular mobile services are connectivity, network availability, brand, special schemes or offers, call rates, clarity of voice

etc. It is recommended that the company should not over look these features or take them lightly but concentrate on them more with other features also. Barriers can be removed by the adoption of data warehouses, and the need for business to improve customer satisfaction and loyalty. Therefore the mobile companies provide their services, benefits or feature as per the requirement or need of the customers, avoid discrimination between customers, fake promises, negative publicity, hidden pricing policies, etc. In order to attract more customers and to retain the existing once, a company must work out for its goodwill and image. On the basis of the given conclusion, we found out that the Telecom Regulatory Authority of India (TRAI) encourage greater competition in the telecom sector for better quality and affordability. Skill and knowledge along with most importantly, attitude should also be in line with the technology, developing integrated programs that maximizes both value to the customer and the lifetime value of customers to the organization through targeted customer acquisition, profit enhancing activities, and retention.

REFERENCE & BIBLIGRAPHY

Antón Carmen, Camarero Carmen & Carrero Mirtha (2007), *“The mediating effect of satisfaction on consumers' switching intention”*

Bergeron Jasmin & Roy Jasmin, (2008), *“Pleasantly surprising clients: a tactic in relationship marketing for building competitive advantage in the financial services sector”*.

Bhandari Deepak & Purohit Abha (2008), *“Consumer Opinion Survey on Mobile Service Providers”*

Buttle Francis & Burton Jamie (2002), they studied on the topic *“Does service failure influence customer loyalty?”*

Bose Ranjit & Sugumaran Vijayan (2003), they studied on the topic *“Application of knowledge management technology in customer relationship management”*

Goyal B B & Singh Jagwinder (2007), *“Customer Relationship – An Empirical study Of significance for different Categories of Service Providers”*

Hennig-Thurau Thorsten & Klee Alexander (1997),*“The impact of customer satisfaction and relationship quality on customer retention: A critical reassessment and model development”*

Krishnamacharyulu C S G & Akhtar P, 2008- *“Service Quality and Customer Behavioral Intentions In fixed Telephone Services: A Case Study Of BSNL”*

Korner Veith & Hans-Dieter Zimmermann (2000), *“Management of Customer Relationship in Business Media- the Case of the Financial Industry”*

Mukarrambhatty, Rodskinklea and Spalding Thomas (2001), they studied on the topic *“Redefining customer loyalty, the customer’s way”*

Oyeniya, Omotayo* and Abiodun Abolaji Joachim (2008), *“Customer service in the retention of mobile phone users in Nigeria”*.

Parvatiyar Atul & N. Sheth Jagdish (2001), They studied on the topic *“Emerging Practice, Process, and Discipline”*.

Reifel N.M., Rana H. & Marcus M. (1997), in *“Customer Satisfaction”*

Singh A.N., Parihar BBS & Parihar Deepika (2008), *“Consumers’ perception towards BSNL Cellular phone Services – An Empirical Study”*.

Shankar Ravi & Debnath Roma Mitra (2006), *“Measuring Performance of Mobile Service Providers: An Application of Data Envelopment Analysis”*