

CONSUMERS' PREFERENCES ON CELLULAR SERVICES IN AIZAWL CITY, MIZORAM: AN EMPIRICAL ANALYSIS

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Abstract: *The article analysed the consumers' preferences on the cellular services provided in Aizawl city, Mizoram. The study covered Airtel, Vodafone, Aircel and BSNL services. It was found that Airtel has the maximum number of customers and the respondents preferred pre-paid plan than post-paid plan. The Airtel subscribers were influenced most by the easy recharge facility of the Airtel services whereas the consumers of Vodafone preferred Vodafone service because of its better internet facilities. Also, the facilities that influenced most to the subscribers of Aircel are the pre-paid/post-paid plan. The consumers preferred BSNL mainly because of the strong network coverage provided by them. Majority of the consumers are spending below Rs. 200 per month for recharging their cellular services.*

Key words: *Cellular, services, consumers, preferences.*

1. INTRODUCTION:

Communication sector has become an essential infrastructure for socio-economic development in an increasingly knowledge-intensive world. The accomplishment of telecom services to all regions of the country turns out to be an important part of an innovative and technologically-driven society. It is one of the most important services needed for the development of various sectors of the economy in India. As a result of sustainable measures taken by the Government over the years, the Indian Telecom Sector has developed extensively and has become the second largest network in the world, next only to China. The reasons for the development of the telecom sector in India are reform measures by the Government of India, active participation of the private sector and wireless technology. The National Telecom Policy (NTP) 2012 was announced with the objective to maximize public goods by facilitating reliable, secure and affordable telecommunication as well as broadband services in India.

2. REVIEW OF LITERATURE:

Rangarajan (2000) decides the pressure for the consolidation of the telecom industry is driven by the increasing customer demands, falling tariffs, fast changing technologies and shift in competitive strengths. According to his observation, the global telecom market is undergoing a paradigm shift and the market is expected to be dominated by agile players that can capture and retain customer base and run business profitably after catering to an ever increasing demand for higher bandwidths from the heavy usage segment.

Singla et.al (2010) conducted 'A Study on the Factors Affecting Choice Criteria of Consumers for Mobile Handsets - A Comparative Analysis in Ludhiana and Sangrur Districts'. In their study, it was identified and compared key attributes that influence mobile phone purchasing between Sangrur and Ludhiana consumers in India. The samples were collected from 795 consumers from Ludhiana and Sangrur Districts. According to the authors, mobile phone users wanted their handsets to be loaded with multiple functions, entertainment being the most important among them. They wanted their mobile phones to be fully loaded with top end features, but at the same time they wanted all these at affordable costs.

Gupta (2015) conducted a study on 'Perception of Customers towards Cellular Phone Services'. This study pointed out that mobile phone services are becoming more and more significant throughout the world due to technological changes. In today's life mobile phone companies are offering new services to customers daily. The success of the mobile phone service providers depends upon satisfaction level of consumers. So it has become more important for the mobile phone companies to meet the current market conditions and expectations of the customers. Customers perceive services in terms of the quality of the service and how satisfied they are overall with their experiences. Therefore, the perception is to be studied so that their preferences may be known and their desires may be fulfilled. Keeping this fact in mind, study will be made to analyze the perception of customers towards mobile phone services.

Arshad, et.al (2010) conducted an investigation on 'Evolution and Development towards 4th Generation (4G) Mobile Communication Systems' and mentioned that the 4G mobile technologies will stimulate subscriber interest in broadband

wireless applications because of its ability and flexibility towards the world of wireless mobile communications. A concentrated effort seems to categorize how wire-less mobile technologies can accompaniment a more user focused world of wireless. Finally the report elaborates the different Mobile Communication Technologies that have been developed in the past and their evolution and development towards 4th generation communication systems. Their detail comparison with each other has been discussed to have a better knowledge and understanding about the technological advancement made towards the evolution and development of 4th generation communication systems.

3. OBJECTIVES OF THE STUDY:

- To analyze the educational level, occupations and income of the consumers in the study area.
- To examine the preferences of cellular services, types of plans and amount spent by the consumers.
- To suggest measures for the improvement of cellular services not only in the study area but also in the state as a whole.

4. METHODOLOGY:

This analysis concentrated on four mobile service providers namely, Airtel, Vodafone, Aircel and Bharat Sanchar Nigam Limited (BSNL) in Aizawl City, Mizoram.

The study was based primary data which was collected through structured questionnaire and interview method. The questionnaire contained questions which are both open-ended and close-ended. Interview schedule comprised of number of variables that help us in finding out the consumer preference for particular branded service provider and problems faced while using particular service provider. The variables was related to factors responsible for selecting a particular service provider and those variables relating to the income, spending pattern and the satisfaction level of the respondents to improve the service providers.

The sample size covered 160 consumers of different cell phone users from North, East, West and South of Aizawl city which was based on random sampling method. The sample was collected proportionately from the four blocks based on the number of people using cell phones.

5. DATA ANALYSIS:

Education, Occupation and Income Pattern of the Respondents

Education plays an important role for the development of human civilization. It promotes national unity and uplifts the human society. It is an important factor to distinguish social classes. Under this section, the consumers are classified according to their educational qualification.

Table -1: Educational Levels of the Respondents

Level	No. of Respondents	Percent	Cumulative Frequency
Below Class 10	24	15	15
Class 10	16	10	25
Class 12	29	18	43
Graduate	62	39	82
Post- Graduate	25	16	98
PG & Above	4	2	100
Total	160	100	

Source: Field

Survey

From Table-1, it can be ascertain that 15 percent are below class 10, while 10 percent of the respondents are up to class 10, and 18 percent are up to class 12, 39 per cent of respondents are graduates, 16 per cent of the respondents are post graduates, and 2 percent of the respondents are in post graduate and above. Thus, it can be concluded that maximum number of the customers are Graduates.

Occupation is an important measure of social class and signifies the status of a person in the society. Consumers' preference for a product may depend on the cost of the products and the income of the consumers. Occupation plays a crucial role in the preference of a consumer for a particular service provider.

Table -2: Occupational Pattern of the Respondents

Occupation	No. of respondents	Percent	Cumulative Frequency
Students	35	22	22
Teachers/Professors	20	12.5	34.5
Business	38	24	58.5
Professional	14	9	67.5
Domestic Workers	15	9	76.5
Unemployed	20	12.5	89
Agro-based	18	11	100
Total	160	100	

Source: Field Survey

From the above table, it can be seen that 22 per cent of the respondents are students, whereas 12.5 per cent of the respondents are teachers/professors and 24 percent of the respondents are engaged in business. 9 percent of the respondents are professional and 9 percent are domestic workers. It was found that 12.5 percent of the consumers are unemployed and 11 percent of the respondents engaged in agro-based activities. Thus, it is clear from the study that majority of the consumers are business men/women.

Income is an important factor which determines the buyer behavior. An individual with higher income are often willing to spend more on recharging their particular service provider. The table below explains data based on the monthly income of the respondents.

Table -3: Income Pattern of the Respondents

Monthly Income (in Rupees)	No. of Respondents	Percent	Cumulative Frequency
Below 10,000	81	51	51
11,000-20,000	29	18	69
21,000-30,000	22	14	83
31,000-40,000	13	8	91
Above 40,000	15	9	100
Total	160	100	

Source: Field Survey

From the above table, 51 percent of the respondents income lies below Rs.10,000, while 18 per cent of respondents income lies between Rs.11,000 - 20,000. The study also revealed that 14 per cent of the respondents income lies between Rs.21,000 - 30,000. The remaining 8 per cent and 9 per cent of the respondents income lies between Rs.31,000 - 40,000 and above Rs.41,000 respectively. Majority of the cellular services consumers' income in Aizawl city lies below Rs.10,000.

Brand wise Preferences of the Respondents

There are several brands of service providers activating mobile phones in the market. They offer almost similar features and have similar facilities. The following table highlights the brand wise preferences of the customers in the study area.

Table - 4: Brand Wise Preferences of the Respondents

Service Providers	No. of Respondents	Percent	Cumulative Frequency
Airtel	90	56	56
Vodafone	40	25	81
Aircel	14	9	90
BSNL	16	10	100
Total	160	100	

Source: Field Survey

The brand wise classification of the respondents is demonstrated in the table above. A keen observation of data in Table-4 denotes that 56 per cent of respondents preferred Airtel, 25 per cent of the respondents preferred Vodafone, 9 per cent of the respondents preferred Aircel, 10 per cent of the respondents preferred BSNL. It can therefore be stated here that of all the brands available in Aizawl, Airtel has the maximum number of consumers in Aizawl city.

Type of Plans

In this analysis, an attempt was made to examine what the consumers preferred most out of the two types of plan available for the consumers, i.e., pre-paid plan and post-paid plan. The users of a pre-paid plan pay in advance for credit which is then consumed by the use of mobile phone service. On the other hand, the user of a post-paid plan paid their usage charges at the end of each month.

Table -5: Type of Plans

Type of Plans	No. of Respondents	Percent	Cumulative Frequency
Prepaid	140	88	88
Postpaid	20	12	100
Total	160	100	

Source: Field Survey

Table-5 depicts data based on the type of plan, it was determined that 88 per cent of respondents preferred prepaid plan and only 12 per cent of the respondents preferred post-paid plan. From this table it was found that in Aizawl city, maximum number of consumers are using pre-paid plan.

Reasons for Preference of Pre-paid and Post-paid Plan

Since an individual respondent have an opportunity to choose various reasons for preferences of prepaid plan or postpaid plan available, the resulting outcome are presented on percentage terms for the sake of simplicity.

Table - 6: Reasons for Preference of Pre-paid Plan

Prepaid Plan	Percentage of Respondents	Cumulative Frequency
Easy Track of Usage and Expenses	21	21
Recharge Convenience	33	54
Pay per Consumption	18	72
No fear of Payment of Bill	28	100
Total	100	

Source: Field Survey

It was revealed from Table-6 that 21 per cent of the respondents' preferred pre-paid plan due to its easy track of usage and expenses. 33 per cent of the respondents' preferred pre-paid plan for its conveniences in recharging, 28 per cent of the respondents stated that since it is a pre-paid plan, there is no fear of payment of bill, and the remaining 18 per cent of the respondents preferred pre paid plan as they have to pay only what they have consumed. Thus, it can be said that majority of the consumers preferred pre-paid plan because of its easy rechargeable facility. The following Table shows the reason why they preferred post-paid plan.

Table -7: Reasons for Preferences of Post-paid Plan

Post-paid Plan	Percentage of Respondents	Cumulative Frequency
Availability of Better Tariff Plan	17	17
Unlimited Talk Time	28	45
Availability of Data Plan	17	62
No fear of No Balances	22	84
Better Tariff	16	100
Total	100	

Source: Field Survey

28 per cent of respondents preferred post-paid plan for unlimited talk time in the service, 22 per cent of the respondents preferred as there is no fear of non availability of balances, 17 per cent of the respondents preferred this plan due to its availability of better tariff plan, another 17 availability of best data plan, and the remaining 16 per cent of the respondents are preferred for less tariff. Thus, it is clear from the study that the consumers who are using post-paid preferred post-paid plan because of its unlimited talk time. Most post-paid consumers have been using their own service provider for a very long time even before the pre-paid plan was introduced in the study area.

Monthly Expenditure for Recharging

Since different consumers have different sources of income, the amount spend for recharging their service providers also varies. In this study, monthly amount used by the consumers was analyzed and represented in the following table.

Table -8: Monthly Expenditures for Recharging

Monthly Expenditures	No. of Respondent	Percent	Cumulative Frequency
Below Rs. 200	66	41	41
Rs. 201-Rs 400	48	30	71
Rs. 401-Rs 600	24	15	86
Rs. 601- Rs. 1000	14	9	95
Above Rs. 1000	8	5	100
Total	160	100	

Source: Field Survey

Table -8 describes the monthly amount spend for recharging their cell phones. 41 per cent of respondents are spending below Rs.200 per month, 30 per cent of the respondents spent between Rs.201 – 400, Rs.401 – 600 15 per cent, 9 per cent of the respondents are between Rs.601 - 1,000 and only 5 per cent of the respondents are spending above Rs.1, 000. Thus, majority of the consumers are spending below Rs. 200 per month for recharging their cellular services.

6. RECOMMEDATION:

- The service providers should upgrade their services by providing attractive features such as better recharge plans.
- All the service providers should launch more periodical offers and schemes from time to time to reduce call charges and ensure free data for its customers.
- As most of the consumers are unaware of the value added services offered by service providers, it is suggested here that the providers should spread awareness about the value added services.
- Call tariff should be framed in such a way that low income people can also afford and enjoy the facilities. Call rates should be made competitive and affordable in order to capture more consumers.
- Network problem is perceived as a major problem by majority of the respondents. Network coverage and quality of the service should be expanded by providing high frequency towers to help the consumers' in accessing proper network without any interruption.
- Since 5G spectrum is booming in the mobile market. Service providers are suggested to offer this spectrum to create new consumers and to retain the existing consumers.
- Customer care service play an important role in retaining existing customers and attracting new customers. There should be provisions of feedback from consumers so that necessary steps can be taken accordingly.
- Proper training should be given to the employees of the service provider to treat their consumers in a customized care manner.
- The procedure in taking new and renew connections should be simplified and all the service providers should offer more ranges of mobile tariff plans.

7. CONCLUSION:

In a competitive world of business, relationships between service providers and customers are important to achieve high levels of customer satisfaction and loyalty. People would expect quality products and quality services. A company which is unable to provide quality products and quality services cannot survive in the long run. Communication

and information technology are the blood streams of the business world. Prompt service and quality communication will enable a person to expand business. No company, irrespective of their business, can satisfy their customers uniformly. To make a study into their behaviour and to arrive at a correct conclusion is rather impossible. But at the same time, any company which tries to improve their services and increase their customers, must float some effective and efficient methods. The significance development in this field in the past ten years shows that there is a very bright scope for expansion and modernization in cellular area with a very short span of time. Thus, service providers have to understand the ever changing preferences and the behaviour of consumers constantly in order to satisfy and serve them better.

The study is limited to the consumers' preferences to service providers of cellular in Aizawl city. This study will be of immense help to the service providers in understanding the consumer preferences to improve their facilities and services in the market. The new studies which are to come in the future could take up these challenges so that it could benefit not only the consumers but also the service providers in the long run.

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