

# A STUDY OF FACTORS AFFECTING CUSTOMER SATISFACTION TOWARDS BSNL MOBILE SERVICES IN NASHIK DISTRICT

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**Abstract**— Indian mobile market is one of the fastest growing markets. The study focuses on the factors affecting customer satisfaction towards BSNL customers in Nashik District. The customers become satisfied when service provider realizes the needs of customers. In this study, the BSNL mobile phone subscribers in Nashik district were selected as respondents for identifying the various factors affecting customer satisfaction. A well structured questionnaire was designed and administered to collect samples across Nashik district. The sample size was 126. The results showed that signal quality, network coverage and recharge and payment facility had the larger impact on customer satisfaction.

**Keywords**— Customer satisfaction, Service Quality

## I. INTRODUCTION

The Indian Telecom Sector, like most other infrastructure sectors is controlled by the state. The telecom industry is one of the fastest growing industries in India. This growth is significant because the entire world is suffered by economic slowdown and recessionary trends. The service providers' ability to offer innovative and low tariff plans are playing important role in attaining high growth rate which ultimately results in rapid expansion of the mobile subscribers. Telecommunication sector in India can be divided into two segments: Fixed Service Provider (FSPs), and Cellular Services. The state operators (BSNL and MTNL), account for almost 90 per cent of revenues from basic services. At the end of September 2017, the private access service providers held 90.75% market share of the wireless subscribers whereas BSNL and MTNL, the two PSU access service providers, had a market share of only 9.25%. In the Maharashtra circle, there were just 7.18% BSNL subscribers in September 2017. However there is sufficient penetration of BSNL in rural & urban area of Maharashtra. Nashik district was an ideal market that BSNL served.

In the current competitive environment the businesses have to develop innovative strategies in order to survive in long run. The best strategy is to satisfy the customers with providing quality service. The main purpose of this research study was to investigate the key factors that affect customer satisfaction in wireless telephony. This study has considered the customer service quality in terms of network coverage, signal quality, convenient billing/vouchers, value added services and convenient recharge facility are the major factors governing customer satisfaction.

### A. Objectives

- To identify the factors those affect the consumers' satisfaction.
- To study the impact of service quality on overall customer satisfaction.

### B. Hypotheses

- H1: There is a significant relationship between good signal quality and overall customer satisfaction in the BSNL mobile users.
- H2: There is a significant relationship between wide network coverage and overall customer satisfaction in the BSNL mobile users.
- H3: There is a significant relationship between innovative value added services and overall customer satisfaction in the BSNL mobile users.
- H4: There is a significant relationship between reliable billing & pricing and overall customer satisfaction in the BSNL mobile users.

H5: There is a significant relationship between convenient recharge and payment facility and overall customer satisfaction in the BSNL mobile users.

## II. LITERATURE REVIEW

### A. Customer Satisfaction

Consumer satisfaction is the level of an individual's felt state resulting from comparing a product's perceived performance in relation to the expectations. This satisfaction level is a function of difference between perceived performance and expectations. If the product's performance exceeds expectation, the customer is highly satisfied or delighted. When the performance matches the expectations, the customer is satisfied.

According to Anderson, C. Fornell, D.R. Lehmann (1994) Service providers frequently place a higher priority on customer satisfaction, because it has been seen as a prerequisite to customer loyalty.

Zeithaml, L.L. Berry and A. Parasuraman (1996) found low customer satisfaction has been associated with complaining behaviour.

Customer satisfaction makes the customers loyal to one telecommunication service provider. According to Anderson, Fornell and Mazvancheryl, (2004), it is expensive to generate satisfied and loyal customers but that would prove profitable in a long run for a business. Therefore a firm should concentrate on the improvement of service quality.

In the various factors T. V. Ramachandran (2005) studied that the Indian consumer is extremely price sensitive.

Rajpurohit R.C.S. et al. (2011) have conducted study and reveals that consumers prefer a particular cellular service provider on the basis of network coverage, call tariffs and value added services.

### B. Service Quality

The service quality has become a key concern in telecom marketing and has received much attention from the post liberalisation in India. The service quality is also remaining important part in augmented competition within telecom service industry.

Kumar Ratnesh & Dr. Amit Kansal (2013) have observed that there is high rivalry among the players in the Indian telecom industry and every player is providing special offers and schemes to maximize their subscriber base.

Rakshit Negi (2009) have studied the Mobile Communication and found overall service quality of mobile communication was below average. The highest quality gap was observed in the case of networking. Therefore, better transmission quality, network coverage will improve the customer perceived quality.

## III. METHODOLOGY

### A. Research Design

The research design used in this study is descriptive research design.

### B. Data Collection

In this survey, both primary and secondary data were used for accomplishment of the objectives. The primary data was obtained by administering structured questionnaires. The secondary data was collected through various literature reviews and articles, the websites of Telecom Regulatory Authority of India (TRAI), Department of Telecommunication, India, journals and books.

### C. Sampling

General public within Nashik district were treated as the population of this study. Survey was targeted to the user of BSNL cellular services. For this study, Nashik, Chandwad, Kalwan, Niphad, Satana and Malegaon were selected for sample selection. The respondents were randomly drawn from each region. The cluster sampling method was used for data collection. The sample size was 126.

#### D. Measures

Questionnaire as an instrument was used for this study. The first part was consisting of demography of the customer, in second part the cellular service details of the respondents, in third section the performance of various service factors and in forth part of questionnaire the overall customer satisfaction was asked to the respondents. All the items used in the instrument (questionnaire), were based on 5-point Likert scale. Descriptive statistics is used to determine the main features of the collected data in quantitative terms.

Data obtained in this regard was analysed through SPSS 18.

### IV. DATA ANALYSIS AND DISCUSSION

Collected data was analysed to determine how the sample responds to the items under investigation. Descriptive statistics, ANOVA methods were employed to analyse the collected data.

The null hypothesis and alternative hypothesis are discussed with appropriate statistical tests.

H0: There is no significant relationship between good signal quality and overall customer satisfaction in the BSNL mobile users.

H1: There is a significant relationship between good signal quality and overall customer satisfaction in the BSNL mobile users.

TABLE I

ANOVA- RELATIONSHIP BETWEEN GOOD SIGNAL QUALITY AND OVERALL CUSTOMER SATISFACTION

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	49.710	4	12.427	2.609	.039
Within Groups	576.449	121	4.764		
Total	626.159	125			

The above table shows that ANOVA test for whether there is any significant relationship between good signal quality and overall customer satisfaction about the BSNL mobile service. Since the "Sig." (p) value is less than 0.05. Therefore, the null hypothesis is rejected at 5% level of significant. Hence it is concluded that there is significant relationship between good signal quality and overall customer satisfaction towards the BSNL mobile service in Nashik district.

H0: There is no significant relationship between wide network coverage and overall customer satisfaction in the BSNL mobile users.

H2: There is a significant relationship between wide network coverage and overall customer satisfaction in the BSNL mobile users.

TABLE III

ANOVA- RELATIONSHIP BETWEEN NETWORK COVERAGE AND OVERALL CUSTOMER SATISFACTION

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	59.905	4	14.976	3.200	.015
Within Groups	566.254	121	4.680		
Total	626.159	125			

The ANOVA test expresses relationship between network coverage and overall customer satisfaction about the BSNL mobile service. Since the p value is less than 0.05. Therefore, the null hypothesis is rejected at 5% level of significant. Hence it is concluded that there is significant relationship between network coverage and overall customer satisfaction towards the BSNL mobile service.

H0: There is no significant relationship between innovative value added services and overall customer satisfaction in the BSNL mobile users.

H3: There is a significant relationship between innovative value added services and overall customer satisfaction in the BSNL mobile users.

TABLE III

## ANOVA- RELATIONSHIP BETWEEN VALUE ADDED SERVICES AND OVERALL CUSTOMER SATISFACTION

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	30.067	4	7.517	1.526	.199
Within Groups	596.092	121	4.926		
Total	626.159	125			

The ANOVA test analyses that the “Sig.” (p) value is greater than 0.05. Therefore, the null hypothesis is accepted at 5% level of significant. Hence it is concluded that there is no significant relationship between Value Added Services and overall customer satisfaction towards the BSNL mobile service in Nashik district.

H0: There is no significant relationship between reliable billing & pricing and overall customer satisfaction in the BSNL mobile users.

H4: There is a significant relationship between reliable billing & pricing and overall customer satisfaction in the BSNL mobile users.

TABLE IV

## ANOVA- RELATIONSHIP BETWEEN CONVENIENT RECHARGE AND PAYMENT FACILITY AND OVERALL CUSTOMER SATISFACTION

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	158.086	4	39.522	10.217	.000
Within Groups	468.072	121	3.868		
Total	626.159	125			

The above ANOVA table shows the relationship convenient recharge and payment facility and overall customer satisfaction about the BSNL mobile service. As the p value is less than 0.05, the null hypothesis is rejected at 5% level of significant. Hence it is concluded that there is significant relationship between convenient recharge and payment facility and overall customer satisfaction towards the BSNL mobile service.

H0: There is a significant relationship between convenient recharge and payment facility and overall customer satisfaction in the BSNL mobile users.

H5: There is a significant relationship between convenient recharge and payment facility and overall customer satisfaction in the BSNL mobile users.

TABLE V

## ANOVA- RELATIONSHIP BETWEEN RELIABLE BILLING &amp; PRICING AND OVERALL CUSTOMER SATISFACTION

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	30.154	4	7.538	1.530	.198
Within Groups	596.005	121	4.926		
Total	626.159	125			

As per the above ANOVA statistical analysis that the “Sig.” (p) value is greater than 0.05. Hence, the null hypothesis cannot be rejected at 5% level of significant. It is concluded that there is no significant relationship between reliable billing & pricing and overall customer satisfaction towards the BSNL mobile service.

Customer satisfaction and service quality are found having positive relationship. At present, the customer satisfaction is quite essential for the long-term association between service organization and customer.

The main motive of this study was to find how the service quality factors affect the customer satisfaction. This paper has taken into account various dimensions that would be accounted for customer satisfaction like network coverage, signal quality, convenient billing/vouchers, value added services and convenient recharge facility.

The signal quality plays a major role in satisfying the customers of BSNL. The strong signal quality affects satisfaction positively. Good network coverage at the places of customers is impacting greatly on the customer

satisfaction. The convenient recharge and payment facility for the customers positively affects the customer satisfaction.

## V. CONCLUSION

Results show that all the factors signal quality, network coverage and recharge and payment facility affect the customer satisfaction to great extent. However value added services and billing & pricing are among such factors those cannot significantly affect the customer loyalty. Thus, the core service factors are important to make customer feel that they are valuable to the organization and the organization provides them the desired level of service.

Customer satisfaction is very important as satisfied customer would spread a positive word of mouth and help in making good repute of service provider. The satisfied customers will also be able to make long term profitable relationship with the organisation.

## VI. SUGGESTIONS

This study can be used in telecom services in creating customer satisfaction. Like BSNL as a mobile service provider;

- Mobile service providers should invest more on improving their network coverage in order to retain their consumers.
- Mobile service providers should invest more on improving their signal quality by establishing signal towers near populated area.
- Mobile service providers should focus on the convenience in recharge and payment facilities for the customers.
- Mobile service provider should take periodic feedback from the consumers.

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