

BRAND SWITCHING IN CELLULAR PHONE SERVICE INDUSTRY BECAUSE OF BILL-RELATED ISSUES FACED BY CLIENTS

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ABSTRACT

When a consumer is using a product of a brand switches to another brand, brand switching is considered to occur. Higher the degree of competitiveness among the brands available to the consumers, higher would be the intensity of brand switching. Because of the severe competition among the cellular phone service providers, the occurrence and intensity of brand switching could be observed to be frequent and high. Hence, a research has been conducted on brand switching among the clients of cellular phone service providers. The research hypothesis that there is an association between the demographic characteristics of respondents and their brand switching was tested with the field data collected through the questionnaire, which was redesigned after the pilot study, from the consumers who did actually switch over their brands. It was ascertained that the clients do not switch over brands because of 'billing issue's faced by them.]

Keywords: *Billing Issues, Brand Switching, Expectation Disconfirmation, Stochastic Reasons, Utility Maximisation.*

Introduction

Brand switching is the process of switching from the routine use of one product or brand to steady usage of a different but similar product. In our day-to-day life, it could be observed that some consumers still switch a brand even if they have high satisfaction with the product, while consumers with low satisfaction would not necessarily switch brands. Hence brand switching a complex and complicating challenge for the sustainable development of the service providers.

The mobile phone has, indeed, become an integral part of human existence, used for talking, short messaging, listening to radio, taking pictures and video, playing games, watching video clips, chatting and networking with friends, etc., The mobile phone is more than just a tool for communication; it has become a personal device, a utile-entertainment form. Users of the mobile phone are very conscious of deciding the brand of service providers, keeping in mind their various merits and demerits. In researches relating to brand switching, it is found that consumer satisfaction is the main factor influencing brand switching.

Switching costs and product involvement are also important factors influencing brand switching. The influence of vital statistical variables, consumer satisfaction, switching costs and product involvement force consumers towards brand switching. The success or failure of the cellular phone service providers purely depends on the consumer's satisfaction and with the service they have been rendering and brand switching. Even though the cellular phone service providers provide a satisfactory service to the consumers it is possible that there may be brand switching.

An attempt has been made by the researcher under the title, “**BRAND SWITCHING IN CELLULAR PHONE SERVICE INDUSTRY BECAUSE OF BILL-RELATED ISSUES FACED BY CLIENTS**”. This study focuses on the switching behavior of clients due to the various billing issues.

OBJECTIVES OF THE STUDY

The study has been carried out with the following objectives.

1. To identify the billing issues of clients that effect brand switching.
2. To study the association between the personal dimensions of clients such as age, sex, educational qualification, occupational status, domicile, period of usage, amount spent every month and monthly income of the respondents and brand switching by clients because of billing issues.

RESEARCH HYPOTHESIS

The study has been carried out with the following research hypothesis.

There is an association between the age, sex, educational qualification, occupational status, domicile, period of usage, amount spent every month and monthly income of the respondents and brand switching by clients because of billing issues.

NULL HYPOTHESIS

The study has been carried out with the following null hypothesis.

There is no association between the age, sex, educational qualification, occupational status, domicile, period of usage, amount spent every month and monthly income of the respondents and brand switching by clients because of billing issues.

SCOPE OF THE STUDY

The study covers the clients of cellular phone services in Tiruchirappalli who switched over brands especially from Aircel Network. The study analyses and evaluates the impact of the billing issues of clients while leaving one network in Trichy city. The study was conducted during the period - February 2009 to August 2009.

METHODOLOGY

The study was conducted using a sound research design involving,

- (i) Decisions on universe,
- (ii) pilot study,
- (iii) sampling,
- (iv) data and
- (v) statistical tools used, etc.,

(i) UNIVERSE

All the clients of Airlink Limited Trichy who switched over their cellular phone brands numbering 185 in total have been taken to be the universe of the study.

(ii) PILOT STUDY

The pilot study was conducted and its result was used to:

- a. frame the questionnaire,
- b. determine the sample,
- c. method of sampling and size of sample and
- d. determine the sources of data.

From the pilot study, the researcher has identified the various billing issues of consumers namely high bill amount, employees not paying the money, attraction of competitor's schemes, better schemes, discrepancy in billing, financial constraint and no usage.

(iii) SELECTION OF SAMPLE

From the total number of consumers of the Airlink Limited Trichy, who switched their brand, 100 consumers were selected as sample through stratified random sampling.

(iv) DATA

The researcher used a structured interview schedule as the tool for collection of primary data. The questions were framed in such a way that they could help the analysis of the data collected. The secondary data were collected from books, magazines, journals, previous studies and World-Wide Websites.

(v) STATISTICAL TOOLS USED

The researcher has applied relevant statistical tools such as percentage table, chi-square test and one way ANOVA 'F' test to analyze the data collected.

BRAND SWITCHING - A REVIEW

Brand switching is when a consumer or group of consumers switches their allegiance from one brand of a certain type of product to another. This brand switching may be temporary, or it may be long lasting, perhaps for example in the case of

products that last longer or from which switching away is harder. Brand switching research would show if a particular competitor was most likely to steal customers away from any particular company and the company could then focus their creative attention on that particular threat to their business. Sometimes known as brand jumping, brand switching is the process of choosing to switch from routine use of one product or brand to steady usage of a different but similar product. Much of the advertising process is aimed at encouraging brand switching among consumers. Convincing consumers to switch brands is sometimes a difficult task. It is not unusual for customers to build up a great deal of brand loyalty due to various factors like quality, price and availability.

To encourage switching brands, advertisers will often target these three areas as part of the strategy of encouraging brand switching. Price is often an important factor to consumers who are tight budgets. For this reason, advertisers will often use a price comparison model to entice long time users of one brand to try a new one. The idea is to convince the end user that it is possible to purchase the same amount of product while spending less money. Ideally, this means that the consumer can use the savings for other purchases, possibly even a luxury item of some sort.

The idea of more discretionary resources in the monthly budget can be more effective one in the encouragement of jumping brands. However, price is not always enough to encourage brand switching. When this is the case, comparing the quality of one brand to another is a common approach. The scope of these studies not only includes the analysis of the factors that affect the consumer's brand choice and switching behavior, but also brand switching behavior itself and the actual process of switching brands. A portion of the shoppers will switch products at least once when they make their current or subsequent choices. That is, at least one of the three choices will differ from the remaining choices. The area outside the solid circle represents brand switchers.

REASONS FOR BRAND SWITCHING

One of the main challenges for decision-makers is to understand the environment in which they are operating. They can then identify key issues which they need to respond to. Understanding these key issues improves decision-taking and reduces uncertainty. A brand switch occurs primarily because of

- (i) stochastic reasons,
- (ii) expectation disconfirmation and
- (iii) utility maximisation reason.

ANALYSIS AND INTERPRETATION OF DATA

The impact of personal dimensions - age, sex, educational qualification, occupational status, domicile, usage period, monthly income, amount spent every month for connection on brand switching because of billing issues have been ascertained with the help of statistical tools like percentage table, chi-square test and one way ANOVA 'F' test.

LEVEL OF AGREEMENT AND BRAND SWITCHING

The level of agreement on respondents on the impact of billing issues on brand switching has been analyzed in Table-01.

TABLE – 01
LEVEL OF AGREEMENT ON RESPONDENTS ON THE IMPACT OF
BILLING ISSUES ON BRAND SWITCHING

S. No.	REASONS	AGREE		NO COMMENTS		DISAGREE	
		No. of Respondents	Percent age	No. of Respondents	Percent age	No. of Respondents	Percent age
1	High bill amount	85	85	13	13	2	2
2	Employees not paying the money	17	17	56	56	27	27
3	Attraction of competitor's schemes	42	42	48	48	10	10
4	Better schemes	34	34	39	39	27	27
5	discrepancy in billing	35	35	36	36	29	29
6	Financial constraint	32	32	32	32	36	36
7	No usage	24	24	38	38	38	38

Source: Field Data

When "High bill amount" was given as a reason for brand switching, 85% of the respondents agree, 13% have no comments and only 2% of the respondents disagree.

When "Employees not paying the money" was given as a reason for brand switching, 27% of the respondents disagree, 56% have no comments and the remaining 17% of the respondents agree.

When "Attraction of competitor's schemes" was given as a reason for brand switching, 42% of the respondents agree, 48% have no comment and only 10% of the respondents disagree.

When "Better schemes" was given as a reason for brand switching, 34% of the respondents agree, 39% have no comments and the remaining 27% of the respondents disagree.

When "discrepancy in billing" was given as a reason for brand switching, 35% of the respondents agree, 36% have no comments and the remaining 29% disagree.

When "Financial constraint" was given as a reason for brand switching, 36% of the respondents disagree, 32% have no comments and the remaining 32% of the respondents agree.

When "No usage" was given as a reason for brand switching, 38% of the respondents disagree, 38% have no comments and the remaining 24% of the respondents agree.

AGE AND BRAND SWITCHING

The association between the age and brand switching because of billing issues have been analyzed and tested in Table-02.

TABLE – 02
ASSOCIATION BETWEEN AGE OF RESPONDENTS AND BILLING ISSUES FOR THEIR BRAND SWITCHING

S. No.	Billing issues for Brand Switching	Age				Statistical Inference
		Below 20yrs (n=14)	21 to 35yrs (n=29)	36 to 45yrs (n=33)	46yrs & above (n=24)	
1	Low	7 (50%)	14 (48.3%)	21 (63.6%)	15 (62.5%)	X ² =2.070 Df=3 P > 0.05 Not Significant
2	High	7 (50%)	15 (51.7%)	12 (36.4%)	9 (37.5%)	

P means table value = .054

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Hence, there is no association between the age of the respondents and brand switching by clients because of billing issues.

SEX AND BRAND SWITCHING

The association between the sex and brand switching because of billing issues have been analyzed and tested in Table-03.

TABLE – 03
ASSOCIATION BETWEEN SEX OF RESPONDENTS AND BILLING ISSUES FOR THEIR BRAND SWITCHING

S. No.	Billing issues for Brand Switching	Sex		Statistical Inference
		Male (n=73)	Female (n=27)	
1	Low	37 (50.7%)	20 (74.1%)	X ² = 4.399 Df=1 P > 0.05 Not Significant
2	High	36 (49.3%)	7 (25.9%)	

P means table value = .243

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Thus, there is no association between the sex of the respondents and brand switching by clients because of billing issues.

EDUCATIONAL QUALIFICATION AND BRAND SWITCHING

The association between the educational qualification and brand switching because of billing issues have been analyzed and tested in Table-04.

TABLE – 04
ASSOCIATION BETWEEN EDUCATIONAL QUALIFICATION OF
RESPONDENTS AND BILLING ISSUES FOR THEIR BRAND SWITCHING

S. No.	Billing issues for Brand Switching	Educational Qualification				Statistical Inference
		SSLC (n=10)	HSC (n=23)	Graduate (n=35)	Post graduate (n=32)	
1	Low	6 (60%)	8 (34.8%)	19 (54.3%)	24 (75%)	X ² =9.004 Df = 3 P > 0.05 Not Significant
2	High	4 (40%)	15 (65.2%)	16 (45.7%)	8 (25%)	

P means table value = .028

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Therefore, there is no association between the educational qualification of the respondents and brand switching by clients because of billing issues.

OCCUPATIONAL STATUS AND BRAND SWITCHING

The association between the occupational status and brand switching because of billing issues have been analyzed and tested in Table-05.

TABLE – 05
ASSOCIATION BETWEEN OCCUPATIONAL STATUS OF RESPONDENTS
AND BILLING ISSUES FOR THEIR BRAND SWITCHING

S. No.	Billing issues for Brand Switching	Occupational status		Statistical Inference
		Working (n=73)	Non-working (n=27)	
1	Low	40 (54.8%)	17 (63%)	X ² =.537 Df = 1 P > 0.05 Not Significant
2	High	33 (45.2%)	10 (37%)	

P means table value = .243

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Thus, there is no association between the occupational status of the respondents and brand switching by clients because of billing issues.

DOMICILE AND BRAND SWITCHING

The association between the domicile and brand switching because of billing issues have been analyzed and tested in Table-06.

TABLE – 06
ASSOCIATION BETWEEN DOMICILE OF RESPONDENTS AND BILLING ISSUES FOR THEIR BRAND SWITCHING

S. No.	Billing issues for Brand Switching	Domicile		Statistical Inference
		Urban (n=72)	Rural (n=28)	
1	Low	40 (55.6%)	17 (60.7%)	X ² =.219 Df = 1 P > 0.05 Not Significant
2	High	32 (44.4%)	11 (39.3%)	

P means table value = .674

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Hence, there is no association between the domicile of the respondents and brand switching by clients because of billing issues.

PERIOD OF USAGE AND BRAND SWITCHING

The association between the period of usage and brand switching because of billing issues have been analyzed and tested in Table-07.

TABLE – 07
ASSOCIATION BETWEEN PERIOD OF USAGE BY RESPONDENTS AND BILLING ISSUES FOR THEIR BRAND SWITCHING

S. No.	Billing issues for Brand Switching	Period of Usage			Statistical Inference
		Less than 1yr (n=23)	1 to 2 yrs (n=34)	Above 2yrs(n=43)	
1	Low	9 (39.1%)	24 (70.6%)	24 (55.8%)	X ² =5.582 Df = 2 P > 0.05 Not Significant
2	High	14 (60.9%)	10 (29.4%)	19 (44.2%)	

P means table value = .336

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Therefore, there is no association between the period of using of the respondents and brand switching by clients because of billing issues.

AMOUNT SPENT EVERY MONTH FOR CONNECTION AND BRAND SWITCHING

The association between the amount spent every month for connection and brand switching because of billing issues have been analyzed and tested in Table-08.

TABLE – 08
ASSOCIATION BETWEEN AMOUNT SPENT EVERY MONTH FOR CONNECTION BY RESPONDENTS AND BILLING ISSUES FOR THEIR BRAND SWITCHING

S. No	Billing issues for Brand Switching	Amount spent every month for connection				Statistical Inference
		Below Rs.300 (n=15)	Rs.301 to Rs.600 (n=31)	Rs.601 to Rs.900 (n=17)	Rs.901 & above (n=37)	
1	Low	8 (53.3%)	13 (41.9%)	12 (70.6%)	24 (64.9%)	X ² = 5.167 Df = 3 P > 0.05 Not Significant
2	High	7 (46.7%)	18 (58.1%)	5 (29.4%)	13 (35.1%)	

P means table value = .189

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Thus, there is no association between the amount spent every month for connection of the respondents and brand switching by clients because of billing issues.

EDUCATIONAL QUALIFICATION AND BRAND SWITCHING

The One Way Anova between the educational qualification and brand switching because of billing issues have been analyzed and tested in Table-09.

TABLE – 09
ONE WAY ANOVA DIFFERENCE BETWEEN EDUCATIONAL QUALIFICATION OF RESPONDENTS AND BILLING ISSUES FOR THEIR BRAND SWITCHING

Educational Qualification	Mean	S.D	SS	Df	MS	Statistical Inference
Billing issues						
Between Groups			2.207	3	.736	
G1 (n=10)	1.4000	.51640				
G2 (n=23)	1.6522	.48698				
G3 (n=35)	1.4571	.50543				
G4 (n=32)	1.2500	.43994				
Within Groups			22.303	96	.232	

G1 = SSLC / G2 = HSC / G3 = Graduate / G4 = PG

P means table value = .026

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Hence, there is no difference between the educational qualification of the respondents and brand switching by clients because of billing issues.

MONTHLY INCOME AND BRAND SWITCHING

The One Way Anova between the monthly income and brand switching because of billing issues have been analyzed and tested in Table-10.

TABLE – 10
ONE WAY ANOVA DIFFERENCE BETWEEN MONTHLY INCOME OF RESPONDENTS AND BILLING ISSUES FOR THEIR BRAND SWITCHING

Monthly income	Mean	S.D	SS	Df	MS	Statistical Inference
Billing issues						F = 1.138 P > 0.05 Not significant
Between Groups			1.398	5	.280	
G1 (n=10)	1.6000	.51640				
G2 (n=6)	1.5000	.54772				
G3 (n=10)	1.4000	.51640				
G4 (n=2)	2.0000	.00000				
G5 (n=29)	1.3103	.47082				
G6 (n=43)	1.4419	.50249				
Within Groups			23.112	94	.246	

G1 = Below Rs.1500 / **G2** = Rs.1501 to Rs.2000 / **G3** = Rs.2001 to Rs.2500 / **G4** = Rs.2501 to Rs.3000 / **G5** = Rs.3001 to Rs.4000 / **G6** = Rs4001 & above
P means table value = .366

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Thus, there is no difference between the monthly income of the respondents and brand switching by clients because of billing issues.

DURATION OF USAGE PERIOD AND BRAND SWITCHING

The One Way Anova between the duration of usage period and brand switching because of billing issues have been analyzed and tested in Table-11.

TABLE – 11
ONE WAY ANOVA DIFFERENCE BETWEEN DURATION OF USAGE PERIOD OF RESPONDENTS AND BILLING ISSUES FOR THEIR BRAND SWITCHING

Duration of usage period	Mean	S.D	SS	Df	MS	Statistical Inference
Billing issues						F = 2.868 P > 0.05 Not significant
Between Groups			1.368	2	.684	
G1 (n=23)	1.6087	.49901				
G2 (n=34)	1.2941	.46250				
G3 (n=43)	1.4419	.50249				
Within Groups			23.142	97	.239	

G1 = less than 1 yr / **G2** = 1 to 2yrs / **G3** = 2yrs & above
P means table value = .343

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Therefore, there is no difference between the usage period of the respondents and brand switching by clients because of billing issues.

AMOUNTS SPENT FOR EVERY MONTH AND BRAND SWITCHING

The One Way Anova between the amounts spent for every month and brand switching because of billing issues have been analyzed and tested in Table-12.

TABLE – 12
ONE WAY ANOVA DIFFERENCE BETWEEN AMOUNTS SPENT FOR EVERY MONTH BY RESPONDENTS AND BILLING ISSUES FOR THEIR BRAND SWITCHING

Amount spent for every month	Mean	S.D	SS	Df	MS	Statistical Inference
Billing issues						F = 1.744 P > 0.05 Not significant
Between Groups			1.266	3	.422	
G1 (n=15)	1.4667	.51640				
G2 (n=31)	1.5806	.50161				
G3 (n=17)	1.2941	.46967				
G4 (n=37)	1.3514	.48398				
Within Groups			23.244	96	.242	

G1 = Below Rs.300 / **G2** = Rs.301 to Rs.600 / **G3** = Rs.601 to Rs.900 /

G4 = Above Rs.900

P means table value = .194

Source: Field Data

RESULT

Since the calculated value is greater than the table value, the research hypothesis is rejected and the null hypothesis is accepted. Thus, there is no difference between the amount spent every month of the respondents and brand switching by clients because of billing issues.

FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

After the analysis and interpretation of the field data, the following findings were derived from the study.

The various billing issues of consumers namely high bill amount, attraction of competitor's schemes, better schemes and discrepancy in billing were the reasons for brand switching among respondents, where as employees not paying the money, financial constraint and no usage had no impact on brand switching.

While testing the hypothesis, the personal dimensions such as age, sex, educational qualification, occupational status, domicile, usage period, monthly income and amount spent every month by the respondents had no impact on brand switching. Clients have not switched over their brands because of billing issues. Hence, it would be performed that the brand switching would be happened because of other

issues like as anticipated income, technological changes, business agent of the service providers, professional or business needs, etc., were hugely responsible for their brand switching.

SUGGESTIONS

Though external factors are very complex and cannot be precisely identified influencing the decision making of the consumers, their anticipated income, technological changes, business agent of the service providers, professional or business needs, especially advertisement outlay and competition among producers to push up their product and psyche of the clients may be concluded influencing the decision making process. Hence the service providers should concentrate more on the external issues.

The cellular phone service providers are good in its network connection and in providing new schemes to their customers to keep them always in connection. They are providing a good service to the customers. This would help them to have a good rapport between the clients. However the company could make the brand according to the expectation of the customers. Always consumer's satisfaction would make the brand successful.

CONCLUSION

The Indian cellular phone networks have been coming up with new features every day. An innovation is happening in the mobile network technology every day. According to this study, the customers are more interested to have their brand with reasonable cost and with good network. The customers need to know frequently about the various facilities that the company is providing and about the new schemes that they offer through Advertisement, SMS, Calls, etc.

The Brand Switching is not mostly influenced by personal dimensions such as Age, Sex, Educational Qualification, Occupational Status, Domicile, Period of Usage and Amount spent every month for connection. The conclusion drawn from the study is that the external factors around the respondents are hugely responsible for their Brand Switching.

The cellular phone service providers can provide the customers good quality network to make the customer use the same network all through their life. The cellular phone service providers could facilitate with the immediate service to the request suggested by the customers. Also the company could introduce new schemes to attract the customers. If all these would happen, then the cellular Phone network may prevent or minimize brand switching.

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