

Research Study of Consumer Behavior in Post-Paid Customer Segment

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ABSTRACT

A consumer's buying behaviour is influenced by educational, communal and individual factors. Cultural factors exert the broadest and deepest influence. Marketing Experts at APPCO are very much trained that they can go at any door and can sell the product. Whatever the sales generated by the DSA Department of Airtel in a week, APPCO provides in a day only. The incentive structure of APPCO is not favourable for Indian Market because it only provides the Incentives to the marketing people for the sales generated by them. So they need to revise the Salary and Incentive structure and form it according to the requirements of the Indian sales persons.

1. INTRODUCTION

“Consumer Behaviour is the study of how individuals, groups and Organization select, buy, use and dispose of goods, services ideas or experience to satisfy their needs and wants.”

– By Philip Kotler

Dealer must fully appreciate both the theory and reality of Consumer Behaviour. A consumer's buying behaviour is influenced by educational, communal and individual factors. Cultural factors exert the broadest and deepest influence.

2. OBJECTIVES OF THE RESEARCH PROJECT

The subject matter for this research Project is to study the behaviour of the customer regarding the postpaid connections offered by Airtel in Chennai. This project consists of different objectives. They are as follows:

- To know the test and preference of consumer for the Post-paid products
- To know the current market share of Post-paid connections
- To measure the purchaser contentment regarding the post paid connection
- To understand the reaction of customers by listening to the Brand
- To know the gender ratio of Airtel users
- To know the present market player and competitors
- To study the customers' thought process

3. FORMULATE A HYPOTHESIS

- Null Hypothesis – H₀: Customers are satisfied.
- Alternative Hypothesis – H_A: Customers are not satisfied.

SAMPLING PLAN**TYPE OF SAMPLING METHOD ADOPTED****STRATIFIED RANDOM SAMPLING**

Thus, for the purpose of this research project, the population of Chennai is divided into the sub-groups on the basis of their income level. And from each strata 10 samples are drawn or tested.

SAMPLE SIZE DETERMINATION**PRACTICAL METHOD**

According to this approach, a sample size of less than a few hundred units is not chosen. This is because when a field survey is undertaken, interviewers are appointed, trained and asked to conduct field investigations. Since all this would cost substantially, it would not be worth it for the marketing researcher if only a small sample is chosen.

In light of this method the sample size was decided to be 10 samples for each strata or sub-groups.

DATA COLLECTION INSTRUMENTS

There are two main methods by which primary data can be collected are:

1. Observation
2. Communication

4. DATA ANALYSIS**CLASSIFICATION OF RESPONDENTS BASED ON THEIR AWARENESS ABOUT AIRTEL AS A BRAND**

RESPONSE PATTERN	NO OF RESPONDENTS	PERCENTAGE (%)
Yes	200	100%
No	0	0%

TABLE NO 1

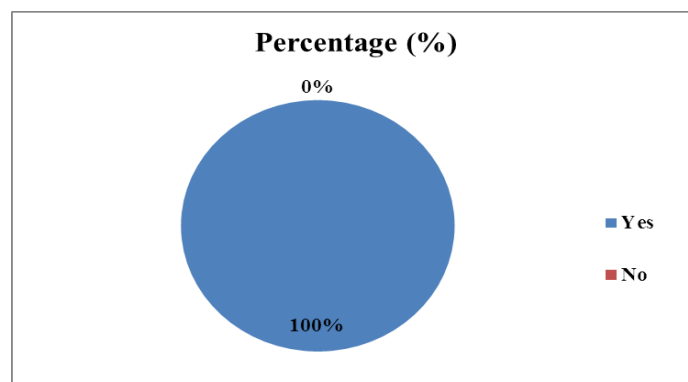
CLASSIFICATION OF RESPONDENTS BASED ON THEIR AWARENESS ABOUT AIRTEL AS A BRAND

FIGURE 1**INFERENCE**

100% of the Respondents are Aware of the Airtel as a Brand.

FACTORS	CALL CHARGES	NETWORK	VALUE-ADDED SERVICES	CUSTOMER CARE SERVICES	OTHER SCHEMES	TOTAL
AGE						
Below 25	16	10	14	3	3	46
25-35yr	22	20	33	0	0	75
30-50yrs	22	29	1	5	7	64
Above 50	12	3	0	0	0	15
Total	72	62	48	8	10	200

TABLE NO 2

$$\begin{aligned}\text{CORRECTION FACTOR C.F} &= G^2/N \\ &= (200)^2/20 \\ &= 2000\end{aligned}$$

$$\begin{aligned}\text{TOTAL OF SUM OF SQUARE SST} &= \sum \sum Y_{ij}^2 - \text{C.F} \\ &= 4096 - 2000 \\ &= 2096\end{aligned}$$

$$\begin{aligned}R_1 &= 3018.5 - 2000 \\ &= 1018.5\end{aligned}$$

$$\begin{aligned}R_2 &= 2299.2 - 2000 \\ &= 299.2\end{aligned}$$

$$\begin{aligned}R_3 &= \text{SST} - R_1 - R_2 \\ &= 2096 - 1018.5 - 299.2 \\ &= 778.3\end{aligned}$$

SOURCES OF VARIATION	DEGREE OF FREEDOM	TOTAL OF SUM OF SQUARES (SST)	MEAN SUM OF SQUARE (MS)	F-RATIO
Age	4	1018.5	254.625	6.5431
Factor Preferred	5	299.2	59.84	
Error	20	778.3	38.915	1.5377

TABLE NO 3

THE F - VALUE FOR THE DEGREE OF FREEDOM (4, 20) @ 5% SIGNIFANCE LEVEL IS 2.87

5. FINDINGS OF THE STUDY

- Nearly one-third (39%) of the respondents have monthly income of rs.10,000-20,000.
- All (100%) of the respondents have mobile connections.
- Majority (61%) have single mobile connection.
- Majority (90.55%) are using Pre-paid mobile services.
- Nearly one-third (30%) of the respondents are using AIRTEL.
- Nearly one-third (36%) of the respondents look for call charges while selecting a particular brand of mobile connection.
- All (100%) of the respondents are aware of AIRTEL as a brand.

- Majority (61.5%) of the respondents have used AIRTEL once.
- Nearly one-third (38%) of the respondents have never used AIRTEL in life.
- Majority (48.5%) of the respondents rate the coverage of AIRTEL as Good.
- Majority (67%) of the respondents rate the call charges of AIRTEL as Average.
- Majority (86%) of the respondents rate the Roaming facility of AIRTEL as Good.
- Majority (92%) of the respondents rate the Customer care service of AIRTEL as Good.
- Majority (43.5%) of the respondents rate the network availability of AIRTEL as Good.
- Nearly one-third (37.5%) of the respondents are likely to refer AIRTEL to their friends and colleagues.
- Nearly one-third (38%) of the respondents spend between rs.350-500 on Mobile recharges and bills.
- Nearly one-third (33.5%) of the respondents are likely to buy Post-paid plan in Future.

ANOVA RESULT

There is significant relationship between age and the factor preferred while selecting a particular mobile connection.

6. CONCLUSION

FOR AIRTEL

Another Reason for the Maximum sales is APPCO. Marketing Experts at APPCO are very much trained that they can go at any door and can sell the product. Whatever the sales generated by the DSA Department of Airtel in a week, APPCO provides in a day only.

If we look at to the survey research one can find that Airtel is not the best Cellular service provider in India because apart from the basic cellular services and the tariff plans, it's not good at any point. Because most of the respondents have rated it as average more. And of course the survey research always reflects the truth.

7. SUGGESTIONS

FOR AIRTEL

- Well I suggest Airtel to increase the Quality and Capacity of both, cellular services as well as other related services such as Customer care support and roaming etc.
- Company has got a good span over Indian Market but they need some more investment on the above suggested topics to sustain NO.1 in the market.
- Airtel is running successfully in Indian market so it can diversify its business to other countries by the way of mergers and amalgamations.
- Airtel should reduce its call charges and should provide for consumer friendly and cost effective plans for consumers.

FOR APPCO

- APPCO is outstanding at its services but still they have to improve at the point of Training and Development of their Marketing People because APPCO performing outside India has got well trained Human Resource so that it can meet the requirements of the corporate sales.
- APPCO is selling and marketing the products and services of only 3 types of clients in India and India is Basket of so many Indian and foreign Brands. Thus APPCO can do marketing activity for so many brands.
- The incentive structure of APPCO is not favourable for Indian Market because it only provides the Incentives to the marketing people for the sales generated by them. So they need to revise the Salary and Incentive structure and form it according to the requirements of the Indian sales persons.

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