Role of Customer Care Department in Telecom Industry

Dr. Ashish Kaushal
Asst. Prof. LPCPS, Lucknow
Dr. Imranur Rahman
Asst. Prof. LPCPS, Lucknow

Abstract

Indian telecom industry has emerged as the fastest growing telecom market in the world. Opening of the telecom sector to foreign investors has not only led to rapid growth in subscriber base but also helped a great deal towards maximization of consumer benefits, particularly in terms of price discovery following the moderate approach in tariffs. Success of Indian telecommunications sector has made the country a truly attractive investment destination for MNCs.

With the rapid changing technology, socio-economic and politico-legal environment and trend towards globalization of business, industry and increased competition, effective customer care services has become a very challenging job especially in telecom industry. There is no denying fact that human element is at the center stage in all economic activities and plays a major role for the service industry. One of the services providing industry that emerged rapidly in today's scenario is telecom industry.

Key Words: Customer care, Telecom industry

I. Introduction

A customer is an important factor and plays a crucial role in any process of marketing. That's why customer is supposed to be a king of the market i.e. the concept of customer preference and their behavior became so important because customer is supposed to make the market and compels the supplier to retain and redesign the product. They have to think about the market segmentation, market strategies, consumer behavior, consumer's tastes, consumer's lifestyle etc. for the satisfaction of needs and wants of the customer. Many marketers are smart enough to understand consumer's needs, wants and demands and perform beyond their expectations i.e. they delight them. It provides them growth, profitability and creativity with lot of innovation.

With increasing number of telecom service providers, the competition is increasing day by day and to attract and retain the customer, customer care services has become very crucial that's why

the researcher has thought that the study of customer care services in the Indian telecom sector will be a good subject for research.

II. Objective of Study

Main objective of the study is to identify various critical success factors that are critical for the success of telecom industry as quality service provider in the market and also to evaluate these factors for telecom industry and to identify the gap (if any) between the desired and actual performance. The main objective of our research is to present positive and negative impacts of telecom services on individual life of an Indian.

Churn reduction in the telecom industry is a serious problem, but there are many things that can be done to reduce it, and, with a customer database, many ways of measuring your success. This is most important objective of the researcher.

Make awareness of their role in providing good service to achieve the organization objectives.

III. Significance of Study

This research helps to understand the importance of customer care in the telecommunication industry. As it is well known that "customer is king", therefore it is necessary to keep him happy. Importance of customer care in the telecommunication industry is that customer care

handles queries of customer about services of respective service providers. Customer care is helpful in retaining the customers from switching the operator. It is the effort of customer care that reduces churn in industry and makes customers loyal towards their organization.

IV. Research Methodology

Here, we'll present the methodology which we adopted for answering our research questions which we have formulated and presented. Furthermore, we'll explain that how main topic was selected, how we formulated the research questions. We'll enlighten the way that how we collected the data concerning our research. We will also describe the frame work which we followed during our research and analysis. For the proper analysis of data simple statistical techniques such as percentage were used. It helps in making more generalization from the data available. The data which will be collected from a sample of population was assumed to represent entire population. Demographic factors like age, income and educational background was used for the classification purpose.

Sample Summary

Area: Lucknow
Size: 50 Respondents
Technique: Convenient Sampling done across
            Lucknow.

Selection: Respondents were selected at random and were approached mostly in public places, offices, residential in various areas of Lucknow like Gomti Nagar, Indira Nagar, Mahanagar, Aliganj, Nakhas, Aminabad, Alambagh and IT.

Problem Selection

Telecom sector has changed the ways of communication of people around the world and it has shown vigorous growth in India during past few years. As these services and facilities have penetrated into lives of people, so they are also interfering with the social and cultural setups. For these reasons we thought to choose the topic and our main emphasis was to analyze customer care services in accordance with the marketing and business strategy, as understanding of local consumer is very important for doing a business in a new place.

Collection of Data

Data was collected randomly irrespective of the category of people in the form of questionnaire and sample size was of 50 respondents. Because it is a pilot study and due to time constraints sample size is small. For conducting a research, two types of data was used i.e. primary and secondary. We used a combination of primary and secondary data for our research area.

Limitation of Study

Every study has some limitations; similarly this study has also the following limitation. The limitations for this study are discussed below:

➢ The study is based only on geographic area of Lucknow, which is very small for this type of study and sample size for this study is 50, which is too small for the study like this.

➢ Shortage of important aspects such as time, financial problem, and complete size prevented research from detailed study.

V. Concept of Customer Care

Customer care is a crucial element of business success. Every time you have contact with the customers you have an opportunity to improve your reputation among them and increase the likelihood of further sales. There are also specific programs you can put in place to increase the levels of customer care. Customer care involves putting systems in place so as to maximize customer's satisfaction with business. It should be a prime consideration for every business - your sales and profitability depends on keeping your customers happy.

Customer care is more directly important in some roles than others. For receptionists, sales staff and other employees in customer-facing roles, customer care should be a core element of their job description and training, and a core criterion

when you're recruiting. But don't neglect the importance of customer care in other areas of your business.

VI. Data Analysis and Interpretation

A. *Attributes of Service Providers for Encouraging Customer Purchase*

Companies are encouraging the customers by providing various attributes to retain them. There are two aspects of analysis one is based on companies and other one is based on attributes. The researcher will analyze the study by assuming the attribute basis.

1. **Talk Time And Validity:** Considering this attribute researcher found that BSNL is the leader in providing the best talktime and validity schemes. Schemes such as recharge with Rs. 200 and get Rs. 225, that is more than what is paid to company were been offered to customers in the past. Call Charges: Considering the call charges, again BSNL is the market leader. As responded by the respondents, BSNL offers best call charge plans like 10 paisa per minute etc.

2. **Quality of Services:** In this attribute the best quality service is been provided by Airtel. The quality of service is determined as an important factor while customer churn and retention is concerned.

3. **Special Offers/ Schemes:** Considering this attribute again BSNL is found as the attribute

leader in this section. As responded by the respondents, BSNL is best in providing special offers and schemes.

4. **Voice Clarity:** Voice clarity refers to the clarity of voice while making call, this attribute is very important and if the voice is not clear the message is not clear and it may be called miscommunication. Airtel is found as the best in this attribute.

5. **Network Connectivity:** This attribute is also known as network congestion that is while making call either the call is dropped or it is connected to some other person. It is found in the study that Airtel is the best as far network connectivity is concerned.

6. **Tariff:** When talking about tariff, it comes in mind the vouchers such as reducing call rates, providing free time to customers, or SMS packs. It is found in data collection that BSNL is the best in providing the tariff.

7. **Availability of Service:** Availability of service refers to how easily service is available in the market. It includes availability of recharge coupons, SIM cards etc. In this section it is found that the services of BSNL are easily available in the market.

8. **Value Added Services (VAS):** It refers by name that additional valued services provided by the service providers to the customers. As per the respondent's opinion BSNL was found

to be the best among the service providers under this category.

9. **Billing System:** Billing Systems include many services related to bill such as correct bill generation, timely bill dispatch etc. it was found as per the opinion that Airtel is the attribute leader.

10. **Customer Care Services:** Customer care services are those services that are provided by companies for resolving customer queries. These queries include- complain resolution, billing disputes, new connection query etc. it is found that best customer care services are provided by Airtel. It is also one of the important factors in calculating the customer satisfaction.

B. *Factors that Influence for Opting Service Providers*

Here are few factors that influence the respondents to choose the service provider. The researcher will now analyze that which is the most influencing factor that influences respondents in selecting service provider.

As per the data collected, researcher found that 21% of respondents look forward for Quality of Services while making the selection of service provider. 20% of respondents prefer Customer Care Services as important factor for making selection of service providers. 18% respondents prefer Network Connectivity as selecting factor for
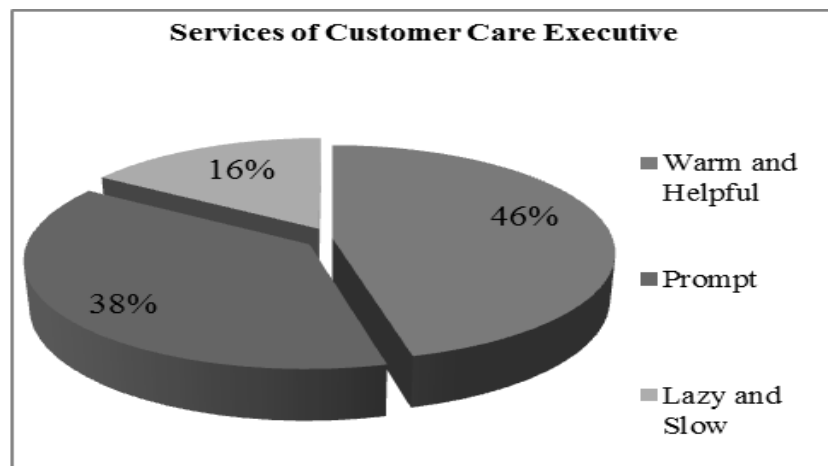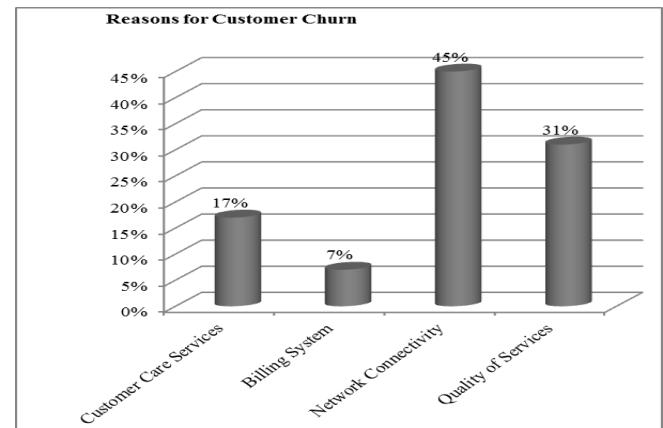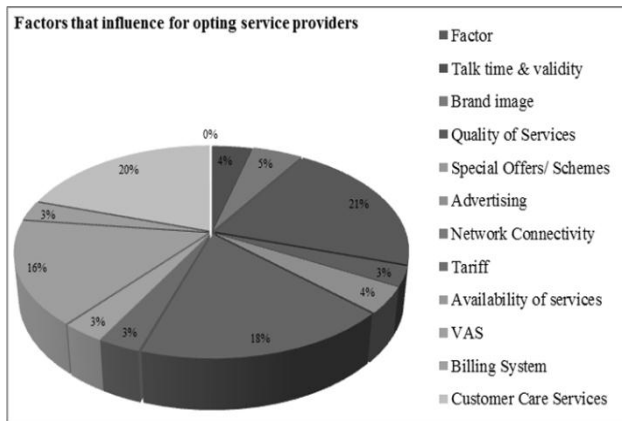
service provider. VAS is preferred by 16% of respondents as important factor of selecting service provider. Whereas contribution of other factors in selecting service providers can be Special Offers/ Schemes 3%, Brand Image 5%, Advertising 4%, Tariff 3%, Availability 3%, Talk time & validity 4%, Billing System 3%.

VII. Analysis of Services of Customer Care Executive

Customer care executives and their services play an important role in retaining customers and decreases customer churn outs. Here the researcher analyzed that how customer care executives deal with the customers. Researcher interviewed the respondents about services provided by customer care executives to respondents. Researcher analyzed that:

➤ 46% of respondents told that services of customer care executives are warm and helpful in solving their queries and providing them the feasible resolution for their queries.

➤ 38% of respondents told that customer care services are prompt and they get the resolution promptly.

➤ 16% of respondents told that the customer care service are lazy and slow, that is they do not take much interest in providing the solution to the customer.

If the services of customer care executives are improved it may help the companies to decrease the customer churn outs.

Factors that influence for opting service providers
■ Factor
■ Talk time & validity
■ Brand image
■ Quality of Services
■ Special Offers/ Schemes
■ Advertising
■ Network Connectivity
■ Tariff
■ Availability of services
■ VAS
■ Billing System
■ Customer Care Services

Reasons for Customer Churn

Services of Customer Care Executive

Reasons for Customer Churn

Relevant questions were asked to respondents to find out why they leave their service provider. It was found that:

➢ 31% of the respondents preferred leaving the service provider because of the Quality of Services.

➢ 45% of respondents go with network congestion and call drops for switching to other service provider.

➢ 17% of respondents leave service provider because of delay in response from customer care.

➢ 7% of respondents leave service provider because of Billing System.

H_0- Courteous language and knowledgeable person are not the most influencing factors for resolving grievances of customer.

H$_1$– Courteous language and knowledgeable person are the most influencing factors for resolving grievances of customer.

Interpretation

Above data analysis shows that most of the users of all companies found their customer service provider courteous and knowledgeable. But the result of BSNL is not good as the users say that they did not talk to their customer care service provider even for a single time. Some of them have talked but after a lot of waiting time. So they are found to be not satisfied and rated this question also as dissatisfied. So after studying their views

VIII. Conclusion and Recommendations

As a result of the liberalization, privatization, and de-monopolization initiatives taken by the Government of India, the telecom sector is experiencing a historical growth. Trend is expected to continue in the segment, as prices are falling as a result of competition in the segment. The beneficiaries of competition are the consumers, who are given a wide variety of services. In the years to come the country is predicted to witness a communication revolution, which would increase the tele-density to match that of the developed world. Need of the time is a new revolution in mobile telephony and it is imperative that service providers work towards the same and make it a reality. Number portability

with a personal discussion we can say that the customer care representatives of BSNL are not courteous and knowledgeable.

Out of the total 50 respondents more than 60% are concerned with Courteous Language and Knowledgeable person. Because they opted somewhat agree and strongly agree option. Therefore we can say that majority of the respondents are with the Courteous Language and knowledgeable Person are the most influencing factors for resolving the grievances of the customer.

issues will solve many problems and will help the end users, which will change the whole scenario of competition and will make the game tougher for service providers.

Telecom majors should think to launch the product according to the needs of customers to satisfy them and make them brand loyal. They should also think for searching new space or we can say either creating a new blue space to sustain their growth in long run. There is more room for data analysis but the rest of the part is beyond scope of this project report. According to the results, most important determinant for consumers are service quality, network coverage, value offered and brand image.

Retaining customers in the service industry has become a major objective of customer care. Customer care tactics are considered to be essential for building long-term relationship with customers in order to achieve mutual benefits of all parties. Although customer care tactics has been widely implemented by service providers, customers still tend to switch to competitor. Therefore, this study was conducted to examine the impact of customer care tactics (service quality, network coverage, value offered and brand image) on relationship quality (trust and satisfaction), and in turn effect the customer loyalty within on mobile telecommunication industries.

Final conclusion made out of the research is that, nowadays any firm offering service may lose their customers because of the poor customer service. Studies have shown that firms can boost their profits by almost 100% by retaining 15% more of their customers than their competitors retain. This is because cost of acquiring new customers is much higher than the costs associated with retaining customers. Firms with loyal, longtime customers can financially outperform competitors with higher customer turnover, even when they cost in limit.

Recommendations on Basis of Research

1. All the providers need to gear themselves on their approach. As the market is going to get more competitive, service will be the only key differential factor.

2. Immediate improvement plan for all service providers with full action planning is required so as to plug the gap wherever loopholes are prevalent in the system. They should have a look at their attributes in totality to give an overall delight feel towards their customers.

3. Providers should immediately prepare an action charter as to how they are going to save such a huge base from churning out. Providers like BSNL and Tata Indicom need some heavy improvement is terms of process and transaction analysis.

4. Providers need to ease out the documentation and address verification system which unnecessarily takes time during initial activation phase.

References

- Peterson, R.A. and Wilson, W.R. (1992). Measuring customer satisfaction: fact and artifact. *Journal of the Academy of Marketing Science*, Vol. 20, pp. 61-71.

- Porter, L.W. (1961). A study of perceived need satisfaction in bottom and middle management jobs. *Journal of Applied Psychology*, Vol. 45, pp. 1-10.

Books

- AL Golin (2004). Trust or Consequences Build Trust Today or Lose Your Market Tomorrow. AMACOM.

- Annual report on Telecommunications 2003-04, Department of Telecommunications, Government of India. Retrieved from www.dotindia.com.

- Zeithaml, Valarie (2008).Service Marketing, 4th Ed. New Delhi: Tata McGraw Hill Publishing Company Ltd.

Websites

- www.businesslink.com
- www.trai.gov.in