

CONSUMER BEHAVIOR TOWARDS MOBILE SERVICES
(With Reference to Namaste and Ncell Mobile Service)

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INTRODUCTION

Background of the Study

The fast pace of development in telecommunication and information technology has changed the way we live and work. To the general public this means increased expectations and diversified needs for multiple of the latest and higher quality services; and to the telecommunications service provider, this means increased investment in modern equipment and advanced technologies and new challenges (Annual Report of NT, 2011).

The statement indicates and focuses on the expectations and need of costumers is high and increasing the requirement of higher quality services with modern equipment and advanced technologies.

A few years ago there was only an organization "Nepal Telecommunication Corporation" as a telecommunication service provider. The corporation was funded and formed under the ownership of the government of Nepal to the development of telecommunication services. But now the situation has changed. There are more than five telecommunication service provider are working in Nepal. In the development of telecommunication sector in Nepal; the organization has played a great role and has made a good image in the field of telecommunication services. Nowadays, the level customer's demand and expectations has changed and the other telecommunication operator also entered in this field with offering different services and advances technologies. So the increasing expectations of consumer with latest technology and attractive services have become the requirement and great challenges for the organization.

Brief Introduction of Sample Organization

A) History of Nepal Telecommunication in Nepal

The history of Telecommunication development in Nepal is not long one. The 1st telecommunication services were started in Nepal during the regime Chandra Shamsheer in 1972 B.S. It was the first time and good opportunity of Nepalese people to transit message from Kathmandu to Birgunj. This telephone line attributed as magneto connected Birgunj with Kathmandu under the name of “Shree Chandra Telephone” Though no remarkable development has been found at the time of Chandra Shamsheer.

Another telephone line connecting at Kathmandu, Gour had been installed in the year 1980 B.S. In the year 1992 B.S. 25 automatic telephone lines were distributed among the high-ranking personalities of Nepal for their own individual uses. The telecommunication office was first established near Ranipokhari.

Another notable telecommunication lines were made available during the role of Prime Minister Juddha Shamsheer by catering the line in the different districts to the extent of 300 miles long. The telephone lines were being extended from Kathmandu to Siraha, Saptari while the same being extended up at Hanumannagar in 1994 B.S. In the year 1998 B.S. additional installation of telephone line linking Dhankuta, Dharan and Biratnagar were distributed.

In the history of telecommunication development in Nepal, Nepal Telecom is an unforgettable name. Nepal Telecommunication Corporation was established in 2032/03/11 B.S. under NTC Act 1971 to provide reliable and affordable telecommunication services all over the country. NTC is the government owned corporation as a public

enterprise. As the need of liberalization, Nepal Telecommunication Corporation was dissolved and converted to Nepal Doorsanchar Company Limited (Nepal Telecom) from 1st Baishakh 2061 (13th April, 2004). The New company (Nepal Doorsanchar Company Limited) was registered with the company register office on 2060-10-11 under company act 2053. However, the company shall also be known to general public by the name Nepal Telecom as registered trade mark. It is looked as an effective instrument of program implementation for accomplishing the desire of national development goals. Nepal Telecom is exerting it's almost efforts to provide communication service to larger sector of population.

B) Introduction about Ncell Pvt. Ltd.

Ncell Pvt. Ltd (known as Spice Nepal Private Limited earlier) was established in 2004 as the first private operator of mobile communication services in the GSM standard in Nepal. The services were commercially launched under the Mero Mobile brand on September 17, 2005. As of 2010, it has been operating under the Ncell brand. “N” stands for Nepal. We are committed to being the best local mobile network for the people living in the country. We provide services of international quality with a local touch. Most of our employees are Nepali and our services are designed to meet the needs of the local society.

Ncell has been part of TeliaSonera (Telephone Company) a leading European telecommunication company since October 2008. TeliaSonera operates in over 20 markets with more than 460 million inhabitants, including the Nordic and Baltic countries, the emerging markets of Eurasia and Spain. TeliaSonera provides network access and telecommunication services that help people and companies communicate in an easy, efficient and environmentally friendly way. TeliaSonera

creates value by focusing on delivering a world-class customer experience, securing quality in our networks and achieving a best-in-class cost structure. TeliaSonera is an international group with a global strategy, but wherever it operates it acts as a local company.

Supported by TeliaSonera, Ncell has continued expanding coverage, enhancing quality and bringing new, efficient and easy-to-use services to the people of Nepal.

We are constantly working towards our goals of connecting everyone in Nepal through our Ncell network, providing high quality, modern and cost effective services and creating value for our customers and partners.

The Ncell brand brings us under the common brand image of the TeliaSonera companies. Together, we challenge the limits of innovation, raise the standards of the telecommunication services and make the mobile market more competitive for the benefit of our customers. We contribute to the development of the country's economy and infrastructure, building best-in-class networks and bringing people in the remotest areas of Nepal within the reach of communication.

Statements of Problem

Nepal Telecom was the leading and the largest telecommunications company a former government monopoly; it was converted into a Public Limited Company on April 14, 2004. Nepal Telecom was the only provider of basic telephony services in Nepal until United Telecom Limited started providing services in 2003. Now, there are more than five telecommunication service providers entered in telecommunication market. So the monopoly market of Nepal telecom has changed in Competitive market with marketing and other managerial challenges. Nepal Telecom is the sole provider of PSTN, ISDN and Leased-Line

services in Nepal. Following the entry of Spice Nepal into Nepal's telecommunications industry, it is no longer the only provider of GSM service. The recent MIS of NTA shows that Nepal Telecom has covered 60%, SNPL 34%, UTL with 5% and others 1% market share in Nepalese telecommunication market. The scenario shows the really competitive market with market sharing by different companies in telecommunication enterprises.

Understanding the relationship with customers is crucial for service and product development of a company. Being able to sustain a long relationship between the provider and the customer is essential since it is easier to hold customers than attract new ones. Therefore, it is important for the companies to develop an understanding of what the customer's decisions are influenced by. Due to the complexity of the customer's minds there is often not just one single reason for a customer to switch services. The factors that lead to the final decision to switch have to be recognized and companies need to adjust their actions to it. Many companies adjust their services by offering lower prices compared to the competitors to take advantage of the customer's price perception. However, companies cannot only concentrate on the price for their services but consider also other factors that influence the customers. To begin with the price might be the most important argument for customers but outcome and value of the service will also be significant as soon as the customers realize problems with these.

Decreasing Revenue increasing administrative cost and high market competition with price and high quality service offering by competitors indicates that there is need to improvement in promotion, management and quality of services to retain and gain market share.

Objectives of the Study

The basic objective of this study is to analyze the consumer behavior toward Namaste and Ncell mobile service. Beside this the following specific objective are mentioned:

- i) To analyze the consumer buying behavior using Namaste and Ncell mobile service.
- ii) To examine the perception of consumer toward Namaste & Ncell mobile service.
- iii) To evaluate how strength and weakness of mobile service provider affects the consumers buying behavior.

Research Questions

This study tries to solve the following research questions.

- i. What are the factors that using consumer buying behavior towards Namaste and Ncell mobile service?
- ii. What are the customers' perception toward Namaste & Ncell mobile service?
- iii. How strength and weakness of mobile service provider affects the consumer buying behavior?

Research Gap

Most of the researchers tried to study consumer behaviour on different products. However the researcher found that, they are not fully concerned with the consumers behaviour towards the products. Mainly they are collecting the attitudes of the consumers not only the behavioural issues with regards to the consumers point of view. Likewise the researcher has not yet found any research conducted in comparative study of Namaste

and Ncell Mobile service regarding this topic. Therefore, the researcher tried to conduct this research.

In this dissertation, researcher tries to study more to find out the consumer behaviour towards Namaste and Ncell mobile service. Research has attempted to prepare and present this report with full enthusiasm and all possible primary data source are collected analyzed and presented here in respective manner.

Major Findings of the Study

Most of respondents 46.67% and 53.33% fall on the age group of 21-30 Namaste and Ncell mobile users respectively and only 2.67% and 1.33% on the age group of above 50 Namaste and Ncell mobile users respectively.

The test of age group given sources do not have equal influence of age group of Namaste Mobile users and do not have equal influence of age group of Ncell Mobile users.

All the respondents were educated, the highest number of respondents are intermediate level i.e. 35 (46.67%) and 44 (58.67%) were used Namaste and Ncell mobile respectively.

Most of businessman are used Namaste mobile and most of students are used Ncell mobile.

Out of total 75 Namaste and Ncell mobile user, 35 respondents are UTL users and 15 respondents are other service used.

Most of respondents 26.67% Namaste mobile users thought low cost than others and 32% Ncell mobile users thought cause of low purchasing price then others.

There is significance equal influence causes to use of Namaste Mobile service.

46.67% Namaste mobile service users are self decision and 37.33% Ncell mobile service users are influence by friends.

54.67% Namaste mobile service users are balance transfer is most popular service and 42.67% Ncell mobile service users are think CRBT is most popular service.

Out of total 36 (48%) Namaste mobile service users and 32 (42.67%) Ncell mobile users think network coverage is most popular factors.

45 (60%) and 40 (53.33%) Namaste and Ncell mobile service users thought television is most popular media.

The attractive factor of advertising in Namaste and Ncell mobile service is artists.

Out of total 32 (42.67%) respondents which is the highest no. of respondents those were aware about the particular brand through the help of promotional blend in Namaste mobile service users and 26 (34.67%) respondents which is the highest no. of respondents those were aware about the particular brand through the help of promotional blend in Ncell mobile service users.

The given sources have not equal influence to factor for brand awareness of Namaste Mobile service and have equal influence to factor for brand awareness of Ncell Mobile service.

Though having such strong competitors likes Nepal Telecom, Ncell mobile is success to aware respondents about new brand in GSM mobile service due to effective promotional tools.

There is not equal influence to promotional tools for brand awareness of Namaste Mobile service and have equal influence to promotional tools for brand awareness of Ncell Mobile service.

Out of total Namaste and Ncell mobile service users 49.33% Namaste mobile respondents expenses between Rs. 501 to Rs. 1000 per months and 52% Ncell mobile user expenses between Rs. 250 to Rs. 500 per months.

Most of 73.33% emphasis on product is very important, 52% respondent emphasis Price is very important, 25.33% respondent pointed as an important factor to Product and 29.33% pointed as an important factor to price.

Summary

A marketing research on consumer behavior towards mobile service (with reference to Namaste and Ncell mobile service) was conducted. Questionnaire was distributed in different place in Bhartpur Municipality for consumer survey. After analysis data interpretation and conclusion has been made. The main target of this study is to find out consumer behavior towards Namaste and Ncell mobile services and to evaluate the effects on customers buying behavior by the strength and weakness of mobile service provider. So, to fulfill this target consumer has performed with very specific questionnaire method and essential statistical tools were used wherever needed.

Finally study shows that Namaste and Ncell mobile services are popular among the respondents. One of most effective factor of Namaste and Ncell mobile for being popular is most effective way of communication process. But personal selling and direct market is not yet in used by the organization.

Conclusion

The study shows that consumer behavior Namaste and Ncell mobile service directly impact to its network coverage and service features.

Through different communication service provider have grab no. of subscribers.

The study also tries to find out the most desirable feature of mobile service. Number of respondent used Namaste and Ncell mobile service it has network problem and it provides lots of facility.

The sales promotion and advertisement is the most attractive things used by Namaste and Ncell mobile service while performing promotional strategy.

Most of respondents attracts on the age group of 21-30 Namaste and Ncell mobile users and all the respondents were educated almost businessman are used Namaste mobile and high percentage students are attracting in Ncell mobile service but only 17.5% UTL users and 7.5% are other service used.

Namaste mobile users thought low cost than others and Ncell mobile users thought cause of low purchasing price then others. There is significance equal influence causes to use of Namaste Mobile service. 46.67% Namaste mobile service users are self decision and 37.33% Ncell mobile service users are influence by friends but high percentage consumers thought balance transfer is most popular service of Namaste mobile service and only 42.67% Ncell mobile service users are think CRBT is most popular service.

Namaste mobile service users and Ncell mobile users think network coverage is most popular factors and television is most popular media. The attractive factor of advertising in Namaste and Ncell mobile service is artists. The highest no. of respondents those were aware about the particular brand through the help of promotional blend in Namaste and Ncell mobile service users but have not equal influence to factor for

brand awareness of Namaste Mobile service and equal influence to factor for brand awareness of Ncell Mobile service.

Namaste and Ncell mobile service users 49.33% Namaste mobile respondents expenses between Rs. 501 to Rs. 1000 per months and 52% Ncell mobile user expenses between Rs. 250 to Rs. 500 per months and 73.33% emphasis on product is very important, 52% respondent emphasis Price is very important, 25.33% respondent pointed as an important factor to Product and 29.33% pointed as an important factor to price.

So, researcher can say that Namaste and Ncell mobile users are increasing at a healthy clip owing to the consumer behavior.

Recommendations

In the light of the study following recommendations for the further managerial actions to the operator company of Namaste and Ncell mobile services.

- i. Both companies should have to conduct regular technical and marketing survey to know the real issues of market.
- ii. To retain the consumer of Namaste and Ncell mobile operator company should start to improve service quality as per consumers' need and expectation.
- iii. The operator company of Namaste and Ncell should have to apply different promotional tools for promotion of own offers and services through different promotional media.
- iv. The service provider companies have already larger number of loyal consumers but in this competitive market, single factor may change their behavior and preferences any time so that companies should suggested expending greater amount of investment in quality improvement and in research of consumer awareness that Namaste and Ncell are more reliable, cheap and best technology.

- v. Namaste and Ncell mobile service companies should have a continuous attention towards marketing mix strategy with parallel basis.
- vi. The company has a many administrative offices as a sales counter in different parts of cities and different districts. It is suggested to the company to improve the service quality as a customer care centre with effective management.
- vii. Competition is being higher day by day so retaining the old customers and to grab the new market share the company should have to apply short term and long term business strategy reforming organizational structure, reducing operational expenditure and increasing productivity on the basis of competitive strategy.
- viii. Promotional campaign is highly focused and popular among youth population. So, the upcoming campaign should be able to cover remaining population too.
- ix. Advertising is indispensable tool of the marketing protocol of the both mobile service provider. So, the upcoming advertisement should be more entertaining, attractive and effective which will be able to cater the need of brand information too.
- x. The present market is very competitive, still NT & Ncell is leading service provider. So, both mobile companies have to compete with same pace with providing best quality communication service to their subscriber.
- xi. There is a saying that "Time and Tides wait for none" So, The service provider company should have to focus to know the perception and need of customer and have to invest in research of consumer behavior periodically and continuously.