

# IMPACT OF SERVICE QUALITY ON BRAND SWITCHING BEHAVIOUR OF TELECOM CUSTOMERS

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## ABSTRACT

Brand switching behaviour is a concept that has received much attention in recent years owing to its potential to drain a company's profitability and overall performance. The research attempts to identify the impact of service quality on brand switching behaviour of telecom customers. The data has been collected from 352 telecom service users in Kerala. Hence, it is concluded that service quality significantly influences customer satisfaction. Service quality significantly influences brand switching behaviour. Finally, the analysis found that customer satisfaction mediates the impact of service quality on brand switching behaviour. Telecom service providers should shift focus on building corporate image and analyze more carefully the reason for customers to switch brands in their industries in order to increase loyalty among these customers.

**KEYWORDS:** Service Quality, Telecom Service, Customer Satisfaction, and Brand Switching Behaviour.

## INTRODUCTION

The telecommunications sector has remarkably adapted to the dynamic and contemporary environment of today. Customer satisfaction is crucial for mobile service providers to maintain and increase their market share and profitability because as the market matures, mobile communication services become more homogeneous and the competition for attracting new customers and keeping the ones they already have intensifies. Brand switching behaviour has long been of interest to marketing researchers at modelling brand switching behaviour and providing a useful representation of the influence past purchase on current purchase. Brand switching behaviour in the telecommunication industry has substantially increased over the years. This brand switching behaviour has severely impacted the market share of the firms in local markets. In the telecommunication industry the quality of services is identified through innovation, communication and value added services. Quality of service is not only an important factor of customer satisfaction in manufacturing industries but also in service firms. It also shows indirect relation as mediating with customer relation and quality of services linked with brand loyalty in prospects of telecom industry regarding cellular services. There are many factors influencing consumer to switch from one brand to another. Evidence showed that perceived price, inconvenience, and quality of service and satisfaction were the key factors that influence the consumers brand switching behavior (Shah, et al. 2018). Hence, the research tries to identify the impact of service quality on brand switching behaviour of telecom customers.

## REVIEW OF LITERATURE

Hugo Ribeiro, et al. (2023) found that internet and television services have the strongest indirect impact on switching intention, mediated by overall satisfaction and loyalty. Additionally, the results indicated that switching costs and barriers do not significantly affect switching intention, and surprisingly, perceived contractual lock-in positively influences switching intention.

Hayman Mamundi (2021) found that brand switching was influenced by price, switching costs, service quality, trust, and brand image. The regression model was also revealed that price, switching costs and brand image have significant positive effects on brand switching. The findings also showed that improvements in trust and service have a tendency of reducing brand switching.

Mobile service providers need to their products and services to ensure that mobile subscribers continuously get high quality and reliable mobile services and products on time.

Ekene (2021) found that network coverage, price, service quality and customer service have significant positive influence on consumer brand switching behaviour in mobile telecommunication in South-South zone, Nigeria.

Manandhar (2021) service quality was ranked most important influencing factor for brand switching, competitive offers were ranked second important factor, while price was ranked comparatively less important factor among the three. The study has included limited variables whereas other factors such as switching cost, brand image, transparency, etc. have also impact on the brand switching behaviour so future researcher can study including these variables among the larger sample size to get more realistic result in brand switching behaviour.

Manzoor, et al. (2020) identified that price, brand image, network quality, value added services and promotional activities directly influence consumer switching behavior among youngsters. The outcomes of the research can help telecommunication companies in deciding what factors are more important to keep customers loyal and to discourage brand switching.

Usman Hayat, et al. (2020) that service quality and price were the major factors that entice customers to switch their telecommunication brand. Moreover, customer satisfaction mediates the impact of service quality and price on such brand switching behaviour. The study also revealed that even if a brand has a good image but cannot provide quality service at an affordable price, it will not be able to retain its existing customers.

Chigwende and Govender (2020) found that mobile network service providers' brand image positively affects customer satisfaction, a positive relationship exists between mobile network service providers' brand image and consumer brand switching behaviour, customer satisfaction positively affects their loyalty. Corporate brand image indirectly affects customer loyalty through customer satisfaction. The researchers recommend marketers to consider the findings when designing strategies for marketing mobile network services.

Garg, et al. (2019) revealed that customer satisfaction has positive effects on customer switching. Thus, customer satisfaction is considered a positive determinant of how strong is the relationship between the customer and the product provider. The study therefore, recommends that mobile phone marketers should shift focus on building corporate image and analyze more carefully the reason for customers to switch brands in their industries in order to increase loyalty among these customers.

Ramnath Babu and Sundar (2019) identified the push factors (network services, billing system, service encounters, technology, and convenience) and pull factors (reputation, brand image, word-of-mouth recommendation, and pricing) that caused switching as well as the mooring factor (switching cost) that influenced the customers' decision to stay with or switch from the current in-use service provider.

Shah, et al. (2018) revealed that quality of service, influence of family, friends & relatives and price structure were among the determining factors that influence customers' satisfaction towards brand switching behaviour.

Uppu, et al. (2016) found that price, quality, product features and applications, competitive offer, after sales services and change in income level, were influencing brand-switching behaviour significantly in the case of mobile services. The quality of services is the most influencing factor, followed by price and product features and applications influencing brand-switching behaviour.

Keaveney (2005) introduced the model of client switch behaviour, and identified casual factors of switching behaviour, namely, pricing, inconvenience, service failures, and service encounter failures, worker responses to service failures, competitive problems, ethical issues and involuntary switching factors.

**H1:** Service quality has significantly influences customer satisfaction.

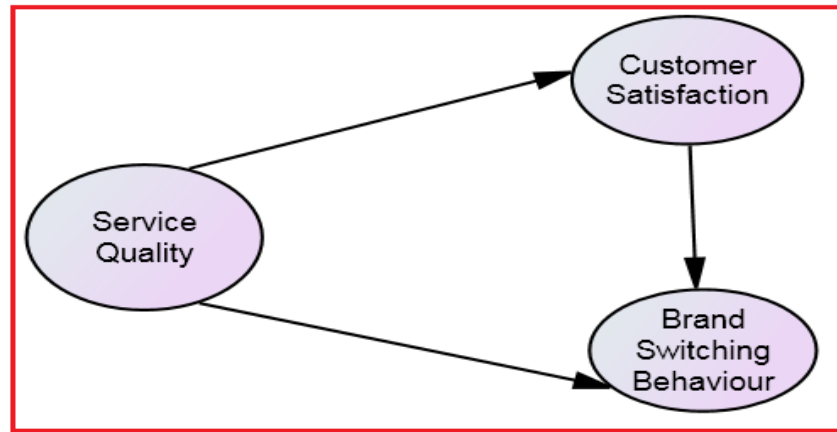
**H2:** Customer satisfaction has significantly influences brand-switching behaviour.

**H3:** Service quality has significantly influences brand-switching behaviour.

## FRAMEWORK

Hayman Mamundi (2021); Ekene (2021); Manandhar (2021); Manzoor, et al. (2020); Usman Hayat, et al. (2020); Shah, et al. (2018) found that service quality significantly influences brand-

switching behaviour. Chigwende and Govender (2020); Shah, et al. (2018) found that service quality significantly influences customer satisfaction. Hence, the research considered service quality as an independent variable. Chigwende and Govender (2020); Garg, et al. (2019); Shah, et al. (2018) found that customer satisfaction significantly influences brand-switching behaviour. Hence, the research considered brand-switching behaviour as a dependent variable. Hugo Ribeiro, et al. (2023); Usman Hayat, et al. (2020) found that customer satisfaction mediates the impact of service quality on brand switching behaviour. Hence, the research considered customer satisfaction as a mediator variable.



**Figure 1: Conceptual framework**

### NEED FOR THE STUDY

The findings of this study will help Telecom service provider authorities and policy makers. This study will help the impact of service quality on brand switching behaviour of telecom customers. Findings from this study can help Telecom service provider authorities retain their customers.

### OBJECTIVES

- To discover the influence of service quality on brand switching behaviour among the telecom customers.
- To identify the influence of service quality on satisfaction among the telecom customers.
- To find the influence of satisfaction on brand switching behaviour among the telecom customers.

### RESEARCH DESIGN

In order to explore the impact of service quality on brand switching behaviour of telecom customers, a descriptive research design is employed by the researcher. Data is collected from customers of telecom service providers in Kerala through a structured and standard questionnaire. This descriptive research design is employed to explore the relationship between service quality, satisfaction and brand switching behaviour.

### QUESTIONNAIRE DESIGN

Data is collected from customers of telecom service providers in Kerala through a well-designed questionnaire. The questionnaire construction for this study is divided into four parts. The first part of the questionnaire is arranged in such a way to know the demographics profile of telecom service users in Kerala, the second part is service quality, the third part is satisfaction and the fourth part is brand switching behaviour. Except first part, all the four sections are constructed with multiple choice questions. The first part is set up as a category and the other three as a measuring scaling technique.

**Table 1: Questionnaire Construction**

S.No.	Variable	Items	Author
I	Demographic Profile	8	---
II	Service Quality	4	Almaiah, et al. 2022
III	Customer Satisfaction	7	Bakhtiar Tijjang, et al. (2023)
IV	Brand Switching Behaviour	8	Hayman Mamundi (2021)

## RELIABILITY

**Table 2: Reliability of the research**

S.No.	Variable	Items	Cronbach's Alpha
I	Service Quality	4	0.84
II	Customer Satisfaction	7	0.89
III	Brand Switching Behaviour	8	0.80

Pilot study was done to confirm that the results of this study questionnaire are reliable. The questionnaires are verified by involving 352 telecom service users in Kerala. Based on the telecom service user's opinion, some changes are made in the questionnaire. Cronbach's alpha tool is employed to test the reliability of the research variables. All the variables of this questionnaire are above 0.70 which shows that it is reliable. This means that the set of questionnaire has a high reliability value. Based on this result, it is statistically recommended that the questionnaire set can be implemented for final data collection of the research.

## SAMPLING TECHNIQUE

In this study, convenience sampling technique has been applied to collect the primary data from the telecom service users in Kerala. In this way 352 telecom service users are approached to collect the primary data in Kerala.

## STATISTICAL TOOLS

Path analysis is used to estimate model by probing the relationship between service quality, customer satisfaction and brand switching behaviour. The researcher has employed the path analysis for impact of service quality on brand switching behaviour with respect to customer satisfaction.

## RESULTS AND DISCUSSION

The table 3 presents the model summary of impact of service quality on brand switching behaviour of telecom customers. The SEM model presented, along with model summary to verify the model fitness. The Chi-square statistic is 125.066 with  $p > 0.05$ .

**Table 3: Model fit indication of SEM**

S.No.		Model Fit Indicators	Suggested standards (Premapriya, et al. 2016)	Calculated Values
1	Chi-Square Test	Chi-Square	---	125.066
		p	$> 0.050$	0.188
2	Goodness Fit	GFI	$> 0.90$	0.993
		AGFI		0.940
		CFI		0.995
		NFI		0.990
3	Badness Fit	RMR	$< 0.080$	0.046
		RMSEA		0.040

Source: Primary data

The table illustrates the model fit statistics such as RMSEA, RMR, NFI, CFI, AGFI and GFI. RMR and RMSEA are within than the recommended limit i.e., RMR and RMSEA is less than 0.08 (Indra, Balaji and Velaudham, 2020; Velaudham and Baskar, 2016). AGFI and GFI are within than the recommended limit i.e., AGFI and GFI values are greater than 0.90 (Kantiah Alias Deepak and Velaudham, 2019; Velaudham and Baskar, 2015). All the model fit statistics imply a moderately model fit (Premapriya, et al. 2016; Victor and Velaudham, 2020) NFI and CFI values are greater than 0.90 (Reena, et al. 2019; Velaudham & Baskar, 2015).

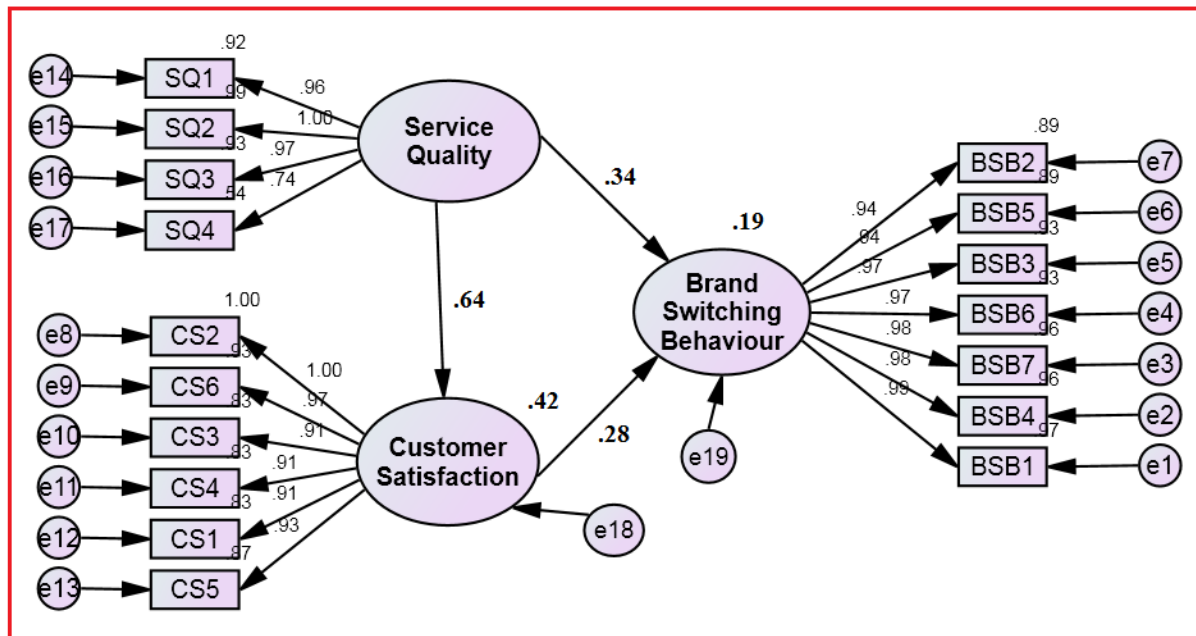


Figure 2: Impact of Service Quality on Brand Switching Behaviour

Table 4: Regression Weights

DV		IV	Estimate	S.E.	C.R.	Beta	p-Value
Customer Satisfaction	<---	Service Quality	0.612	0.107	9.977	0.640	0.001
Brand Switching Behaviour	<---	Service Quality	0.353	0.107	6.427	0.342	0.001
Brand Switching Behaviour	<---	Customer Satisfaction	0.256	0.087	5.252	0.281	0.001

Source: primary data

**H<sub>1</sub>:** Service quality significantly influences customer satisfaction among the telecom customers.

The hypothesis was tested in path model. The finding of the analysis demonstrated that the C.R. value is 9.977;  $\beta$  value is 0.640 and p value is significant. The value of  $\beta$  is 0.640 that service quality explains 64.1 percent of the customer satisfaction among telecom customers. Therefore, the hypothesis is accepted. Hence, the result demonstrated that the service quality significantly influences customer satisfaction among the telecom customers in Kerala. Chigwende and Govender (2020); Shah, et al. (2018) found that service quality significantly influences customer satisfaction.

**H<sub>2</sub>:** Service quality significantly influences brand switching behaviour among the telecom customers.

The hypothesis was tested in path model. The finding of the analysis demonstrated that the C.R. value is 6.427;  $\beta$  value is 0.342 and p value is significant. The value of  $\beta$  is 0.342 that service quality explains 34.2 percent of the brand switching behaviour among telecom customers. Therefore, the hypothesis is accepted. Hence, the result demonstrated that the service quality significantly influences brand switching behaviour among the telecom customers in Kerala. Hayman Mamundi (2021); Ekene (2021); Manandhar (2021); Manzoor, et al. (2020); Usman Hayat, et al. (2020); Shah, et al. (2018) found that service quality significantly influences brand-switching behaviour.

**H<sub>3</sub>:** Customer satisfaction significantly influences brand switching behaviour among the telecom customers.

The hypothesis was tested in path model. The finding of the analysis demonstrated that the C.R. value is 5.252;  $\beta$  value is 0.281 and p value is significant. The value of  $\beta$  is 0.281 that customer satisfaction explains 28.1 percent of the brand switching behaviour among telecom customers. Therefore, the hypothesis is accepted. Hence, the result demonstrated that the customer satisfaction



significantly influences brand switching behaviour among the telecom customers in Kerala. Hugo Ribeiro, et al. (2023); Usman Hayat, et al. (2020) found that customer satisfaction mediates the impact of service quality on brand switching behaviour.

### FINDINGS AND SUGGESTIONS

- The analysis found that the service quality significantly influences customer satisfaction among the telecom customers in Kerala. Chigwende and Govender (2020); Shah, et al. (2018) found that service quality significantly influences customer satisfaction. Creating avenues to listen to the voice of the consumer or increasing efforts to make the user talk freely with the service provider might increase the consumer involvement and increase the customer satisfaction.
- The result demonstrated that the service quality significantly influences brand switching behaviour among the telecom customers in Kerala. Hayman Mamundi (2021); Ekene (2021); Manandhar (2021); Manzoor, et al. (2020); Usman Hayat, et al. (2020); Shah, et al. (2018) found that service quality significantly influences brand-switching behaviour. Telecom service providers should develop policies to ensure that there is enhanced quality of service, affordable and attractive packages for their customers. Service providers should be given more importance to suit different offer continuous sale-promotions to its customers.
- It is found that the customer satisfaction significantly influences brand switching behaviour among the telecom customers in Kerala. Hugo Ribeiro, et al. (2023); Usman Hayat, et al. (2020) found that customer satisfaction mediates the impact of service quality on brand switching behaviour. Telecommunication service providers should also monitor and ensure that their network service is always strong in order to discourage their subscribers from migrating to other brands. Service providers should shift focus on building corporate image and analyze more carefully the reason for customers to switch brands in their industries in order to increase loyalty among these customers.

### CONCLUSION

The research attempts to identify the impact of service quality on brand switching behaviour of telecom customers. The data has been collected from 352 telecom service users in Kerala. Hence, it is concluded that service quality significantly influences customer satisfaction. Service quality significantly influences brand switching behaviour. Finally, the analysis found that customer satisfaction mediates the impact of service quality on brand switching behaviour. Telecom service providers should shift focus on building corporate image and analyze more carefully the reason for customers to switch brands in their industries in order to increase loyalty among these customers. The present study is limited in terms of the predictive power of the research model validated. Future research should expand this research model to include other variables that can assist enlighten better the perception of consumer unswitching behaviour in the consumer behaviour research.

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