
ANALYSIS OF CUSTOMERS' PREFERENCES REGARDING BRANDSWITCHING IN CELLULAR SECTOR OF PAKISTAN

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ABSTRACT

This research intended to explore the causes behind customer behavior and preferences regarding brand switching in the context of cellular sector of Pakistan. To conduct this study sample was taken from District Vehari and Multan of Southern Punjab. A sample of 300 respondents was taken. All respondents were switched customers. A well designed questionnaire was constructed, comprising of 19 questions. Reliability test was conducted on sample of 25 respondents and results showed .706 value of Cronbach's alpha. Descriptive statistics and logistic regression analysis methods were used for analysis and interpretation of data through SPSS Software and STATA. Results showed that determinants such as customer satisfaction, customer services, price, service failure, and Inconvenience (Independent Variables) have significant impact on brand switching (Dependent variable). Customer satisfaction and customer services have negative but significant relationship with brand switching. In case of Price, Inconvenience and service failure, they have positive and significant relationship with brand switching. All respondents had switched their network due to dissatisfaction and they have arbitrary behavior and preferences concerned to brand switching in spite of switching they have further intentions to switch to other network. The reasons is that some customers prefer innovative VAS (Value added services) and new technological attractiveness (3G, 4G-LTE) etc. Arbitrary behavior is clear from analysis that 58% customers have intentions to switch networks maximum time and still they have further intentions to switch. This study suggest that the companies should focus on the preferences of customers to win their loyalty.

Key Words: Brand Switching, Customer Satisfaction, Customer Services, Service Failure, Price, Inconvenience, Customer Behavior, Preference.

1. INTRODUCTION

Telecommunication industry has become extraordinary part of today's dynamic & modern world. Quality standards are implemented by organizations to attract as well as sustain customers also. In competitive environment organizations must consider other factors to maintain their customers to get distinctive competitive edge. Efficient retention management encountered these other factors that are caused customer dissonance and intrigue customer to switch from one product / service to other. Telecom Industry relating to mobile service providers have also many factors impacted on customer's behavior due to competitive environment. That Results switching behavior of customer in case of dissonance and sustainability in scenario of customer satisfaction. Brand switching is known word that we may define as "A process in which consumers shift or switch from one product/ service to another regarding usage but with homogenous category. In mobile service providers these switching behavior are increasing dramatically due to factors like price, trust, customer satisfaction, customer services, inconvenience, perceived expectations, perceived quality, service quality, brand image and price perception etc.

Brand switching regarding cellular companies are becoming very important because it has both aspects that one company is losing their customers while other company is getting customer at same time. There is cut throat competition. But in prospects of customer arbitrary behavior are becoming alarming for companies to sustain their customers and to reduce customer turn rate as long term customer relationship means long term profitability. Customer loyalties relevant to brands are core area for marketers now a day. In this research work we focus on behavior, preference, satisfaction level of cellular subscribers exposed upon their attitude of switching how much times, their sustaining time at present network and attractiveness of various aspects towards cellular subscriber companies [1]. In scenario of Pakistan Telecom industry relating to mobile service providers' customers are increasing dramatically and tendency of switching is also increasing although in 2004 this nation has only four mobile service providers (Ufone, Paktel, Insta & Mobilink) But competition also increase with arrival of two entrants named (Telenor & Warid). At this time, we have five operators regarding mobile service providers which are Ufone, Mobilink, Zong, Telenor and Warid.

1.1. Cellular Networks of Pakistan Telecom Industry

1.1.1 U-Fone

It started from January 29,2001 with brand name of U-fone (Tum Hi To Ho) with PTML 100 % of PTCL. U-Fone becomes a part of Etisalat group in 2006 with privatization of PTCL. Ufone has networked over ten thousand locations, with international roaming of one hundred and sixty countries with 288, live streaming. They claim to have intensive leaders regarding Values Added Services in Pakistan Telecom Industry.

1.1.2 Mobilink

Mobilink starts their operation in 1994 being 1st GSM operator of Pakistan. They have 38 million customers with 9000 cell sites; they have 65000 km fiber optics back bone and investment of 3.9 billion US dollars, with 140 international roaming countries. They claim to have mobile operator as well as responsible corporate citizen through Mobilink foundation by supporting environmental initiatives, education and health etc.

1.1.3 Zong

CMCC (China Mobile Communication Corporation) telecom operator is 100 % subsidiary of China CMPAK starts operating in Pakistan at the end of the year of 2008. Now they have 4GLTE license in Pakistan and its network routes 700 million test messages every day and handle 250 million calls every hour. Zong also act upon on corporate social responsibility activities an example of scholarships for the students of University of Peshawar and other initiatives etc.

1.1.4 Telenor

It starts operating in Pakistan in 15-March-2005. It's basically a Norway based company and 6th mobile service provider in world with 192 million subscribers with 13 markets of the world. Telenor has the fastest growth network in Pakistan since its launch its due to advertisement campaign and aggressive marketing. Corporate social responsibility also shows its humanitarian activities like flood victims of Baluchistan etc.

1.1.5 Warid

Warid Telecom is 100 % owned company of Abu Dhabi (U.A.E). Its services are in Pakistan, Congo, Poland, and Singapore etc. It operates with 70000 destinations in all over Pakistan. They

claim to have approachable, constantly innovative and contemporary. They have the largest postpaid base of customers with efficient management and network in Pakistan. Their postpaid plan is branded they called it “Zahi” that mean leaders and “Zem” as prepaid in Pakistan.

1.2 Objectives of the Study

- To analyze determinants that impact brand switching in mobile service providers.
- To analyze the satisfaction level of customers towards service providers in context of brand switching
- To analyze the preferences and behaviors of customers towards various service providers in context of brand switching

1.3 Problem Statement

“Determinants of Brand switching in Mobile Service Providers in Southern Punjab are importance factors that influences switching behaviors and preferences of customers in telecom industry regarding mobile service providers. Basic issues for assessing customer choices lies brand switching decisions by assessing these determinants like service failure, customer satisfaction, price, inconvenience and customer services. Brand switching behaviors of customers are increasing dramatically day by day due to above-mentioned factors and companies are facing many issues in results like customer churn, loss of market share, low profitability etc.

2. LITERATURE REVIEW

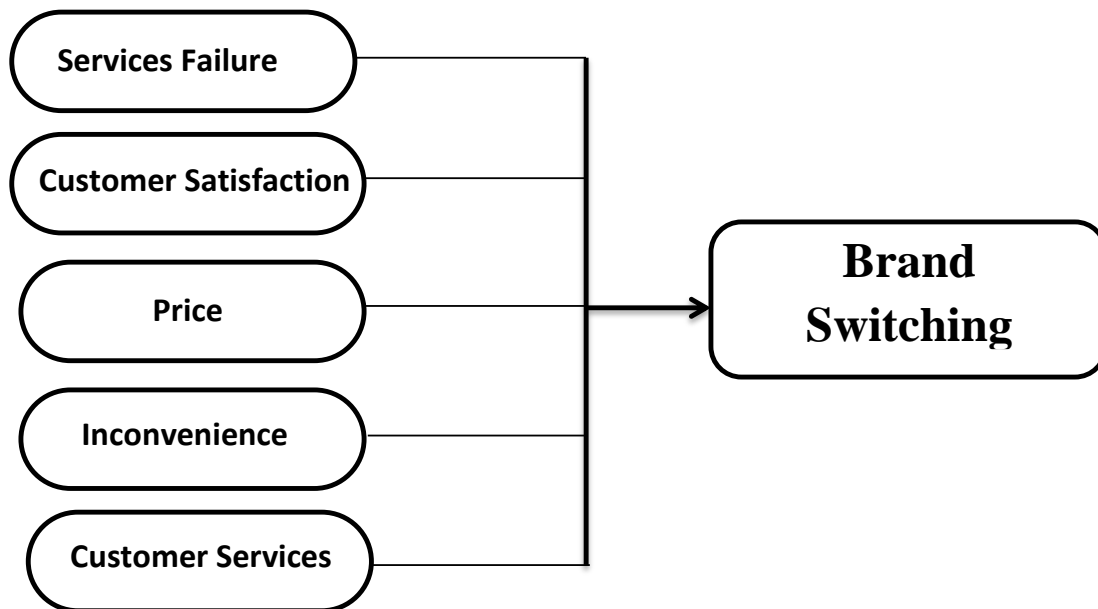
Customer satisfaction has an immense impact on price especially call rates or it is said to be highly dependent on call rates. Price is a vital impact on switching behavior of customer to switch from one service provider to another. Pricing include not only call rates it’s also include SMS charges. Out of sample 7 % switched due to service failure, 9% switched due to GPRS internet browsing speed. Cost and service failure has a significant impact on switching behavior on customer satisfaction. Regression is used to know the independent and dependent variable relationship, its due to dependent variable is binary. Sample size of 480 respondents is used on convenient bases from various territories of Pakistan with the help of questionnaire. Suggestions are to consider factors keenly that are impacting on brand switching by companies to create better customer satisfaction, it will sustain customers on existing service provider and avoid customer switching behaviors. (Kouser et al, 2012). [1]

Quality services have a positive relationship between customer satisfaction and customer retention, indeed a quality service is an antecedent of satisfaction. But it's not necessary also that switching is backed by customer satisfaction it may be due to some other reasons. [2]. Quality service promised by companies like Vodafone also agree that they are not providing services which they claim but trying to meet quality standards, these are words of Vodafone Managers according to researchers interview. For this research 134 respondents are selected from university of Karachi. In conclusion researcher suggest to companies that fault eradication should be ensured by companies on prompt bases with network expansion by considering quality of services, with trained staff fully equipped with product knowledge. [3]. Factors like price, Service failure and inconvenience have a great impact on brand switching behavior of customer. It's also influenced customer satisfaction if a customer is satisfied then customer retain their cellular service provider if he faced service failure, inconvenience and high charges then he switched their network. That research is conducted in Sahiwal Pakistan with 150 respondents on convenience bases by using questionnaire. Researchers prove that factors like price, service failure and inconvenience has influenced on switching behavior of customer. Companies can minimize switching behavior of customer by tackling these factors. It will create customer loyalty to company and reduce customer churn [4]. Customer's satisfaction level increase when their needs are meet with their exceptional level, there perceived and actual offerings decide the subscriber joy with various factors like service quality, price, customer satisfaction, and brand loyalty etc. Research used of sample size of 104 respondents with regression method data interpretation collected on convenient bases from two universities of Larkana Sindh Pakistan. In conclusion researcher describes that factors impacting customer satisfaction has great effect and importance to identify causes and realities that are influenced and responsible for switching behaviors in context of mobile service providers [5]. Telecommunication network is growing dramatically all over the world from last decade. The competition provides options for customers to switch from one network to another when MNP is introduced by telecom sector. MNP is stands for mobile number portability and according to researcher Indian telecom sector has 621 million customers in 2010 with growing rate of 45 % as upon recent years. But determinants have influenced a lot to switched customer from one to another service provider as options are increasing day by day so companies should focus on these determinants like network quality, customer services and VAS (Value added Services) etc. In spite

of that telecom sector should also focus on new determinants also that are purchase likelihood and price tolerance. Understanding needs V/S offering can improve mobile operator uncertainty to sustain customer [6]. Empirical research is conducted by using Structural Equation Model (SEM) to define factors that are affecting subscriber intention to switch upon various service providers in the Indian telecom industry by researchers. 360 Respondents are selected and researcher concluded that service quality has significant impact on mobile subscriber's intention to switch further with comparison two main columns that are service affordability and second one is promotional offers. Service quality has high negative effect as promotional offer has less than that of service quality but as concern to service affordability it has no impact on intentions to switching behavior of customer [7]. Network Coverage, Value added Services (VAS) contribute a lot along with call rates of cellular services while customers have option to switch to another mobile service provider but customer care and advertisement play least role as comparison to previous determinants as accordance to researchers. This research is conducted in Chennai India with sample size of 112 on convenient bases. Researcher also suggests that cellular provider should invest on network coverage, better FNF offers (Family and friends packages) and finally get feedback from customer to improve their services continuously to avoid the behavior of switching [8]. Tele-communication sector has an extraordinary attraction towards brand loyalty concept these days. Researcher demonstrate model named as "comprehensive brand loyalty. These show antecedents that are potential in view of brand loyalty concepts in aspect of factors like commitment, customer satisfaction, and quality of services regarding telecommunication. For this 475 customer were used. In consequences it's derived that in mobile service provider market for brand loyalty factor of service quality play a role of back bone. 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. They suggest that operators should formulate that sort of loyalty programs that will protect the customers of telecom industry [9]. Customer relationship strengthen customer satisfaction and customer loyalty through many determinants like price fairness, quality services, service fairness to create long lasting relationships. It's a success factor that companies are operating through customer centered aspect with market dynamics trends detection. Survey is conducted and 220 respondents were used from telecom companies with instruments of SPSS for interpreting data. Conclusion shows that to measure customer satisfaction and loyalty its best fit

to use determinants like price fairness perception, service fairness and service quality. They all have positive relationship among each other in case of telecommunication industry to better know about both loyalty and customer satisfaction that will help Pakistani telecommunication industry about customer retention and to improve services for better satisfaction level of telecom customers in context of mobile service providers [10]. According to Belal's research the fair price has positive and direct effect on customer satisfaction. But he found that direct effect of service quality on customer satisfaction has not significantly impact due to mediating elements. For this 433 respondents were used by using tool of questionnaire, out of them 373 were used that mean 88 % respondent valid rate for interpreting data. In suggestions researcher narrated that cellular service providers are suggested to make effective strategies that targeted and focused on customer satisfaction through focusing on their expectations V/S their offerings [11]. Loyalty Programs and customer satisfaction has impacted much on customer loyalty but if companies are giving same loyalty programs then customer will give minor importance to that point. Questionnaire is used for this research purpose with respondents in the district of Okara and Jhang Punjab Pakistan. Main base line of that research lies on both aspects of operators and customers. Similarly, in spite of these factors quality services have impacted customer satisfactions as well as these are helpful for operators to know about factors that are caused brand switching. By providing superior value to their customer companies retain their share in that competitive era that is helpful companies to reduce churn rate [12]. Due to customer satisfaction operators are losing their market share due to dissonance of factors that are effecting customer satisfaction and preferences. Organizations harvest maximum profit in long terms when customer is most loyal that will retain and create base line of loyal customers. Customer satisfaction not only creates long-term relationship with operator but it also maximizes profitability of company [13].

3. CONCEPTUAL MODEL



3.1 Explanation of Variables

1. **Service Failure:** Service failure factor related to many symptoms like network busy, less coverage, call drop, Signal strength, service coverage, voice quality mean distortion in voice or interruption during calls and customer density impacted a lot in that sense. Here Customer density means that you have low slot for subscribers but customer traffic is greater than your capacity, which results connection errors, disconnections (Call drop) of calls message failures etc. Due to that issues subscriber explore for better option and that intrigue switching behavior of customer. At that position competitors can positioned their distinctiveness in the minds of subscriber through promotions and advertisements etc.
2. **Customer Satisfaction:** Customer satisfaction impact termination to intentions of brand switching, when subscriber is satisfied brand switching behavior minimizes intentions of subscriber in results. Customer satisfaction is the extent of accomplishment of perceived expectations and the actual services provided by the cellular service providers. For that telecom companies are investing huge investment to boost level of customer satisfaction. In context of mobile service providers Efficient Value-added services, quality of services, low price and

effective customer services are offered by cellular service providers to minimize that switching behaviors of customers. Customer satisfaction level is not only restricted to subscriber of company but it creates opinion leaders, good word of mouth, generate and accelerate revenues and brand loyalty also of companies. On the other hand, customer dissatisfaction not only caused switching but also creates bad word of mouth among subscribers.

3. **Price:** Price illustrates as “in shape of goods or amount of money needed to acquire some combination of other goods and its accompanying services”. In telecommunication sector subscriber always prefer to low pricing in message packages, packages charges, call charges, and in Value added service etc. It's may be due to same family members are using same network services. Variation in call or message packages at various times regarding tariff provide a clear distinctive edge for cellular companies. It's not necessary for customers that price are compulsory factor for switching it may be caused by other reason like service failure or inconvenience etc. Mostly cellular companies have low price among their own network to call (U-Fone to U-Fone, Zong to Zongetc) more over they offer FNF (Friend and family) number to compensate on each calls or SMS etc. In that case if someone switches their network it impacts also to his FNF that they may change also to that specific network where precious switcher switched his network.
4. **Inconvenience:** Inconvenience means feel dissonance or un-prompt respond regarding associated services or facilitations. These are Un-ethical issues with various conditions like , Subscription of your SMS, MMS and call packages are not on time, Packages are activated automatically without intimation or intentions to customer, charged an extra amount against subscription of packages, balance is usually happen etc. It's different with customer services as customer services are supporting to customer but systematic issues resist. For example we have message package subscription time addressed by Cellular Service Providers (Customer care representative) is it accomplished within time slot. On the other hand message package or call package subscription time around time (TAT) as per SOP (Standard operating procedure) are accomplished or not. Issues should be sort out at time, Package subscription, deactivations on demand by subscriber, tariff elaborations with hidden charges not addressed clearly by mobile service providers and customer considered it as extra deduction of balance or balance lost. Un-ethical issues are included in inconvenience factors also.

5. **Customer Services:** Customer services are demonstrated as “advice & assistance conferred by a company to those customers / potential customers who buy or utilize its products or services. Telecommunication Services are mostly linked with updated information oriented perspectives and solutions based on spontaneous response. Not only information but Courtesy level of employers at franchise, outlets and call centers matters a lot with this, that may be ensured to cope with brand switching behaviors of subscribers. In telecom sector when subscriber calls for assistance to their call assistance desks or centers how spontaneous they respond and eradicate or resolve issues. Mostly issues resist is as bad courtesy of customer care representatives, routing from franchise to help line and help line to franchise, customer services are only with the name they do not solve your problems.

4. RESEARCH METHODOLOGY

4.1 Types of Data

The research is based on primary data. The study area was consisted of two district i.e. District Multan and district Vehari. A well-structured questionnaire was formulated and after pre-testing it was finalized. The questionnaire was consisting of 19 questions. A total 300 respondents were selected on convenient basis. Out of 300 respondents, 100 were from Multan while rests of the respondents were from Vehari. The sample was comprising both on male and female. There were 200 males and 100 females. In district Multan 100 respondents were equally taken both male and females, while in district Vehari out of 200, 150 were males and 50 were females because of difficulties in findings female respondents. SPSS software was used to analyze the collected data. The description of selected variables is given as under:

4.2 Logistic regression model

4.2.1 Model Specification

In this survey, a Binary Logit model was used. The main model (equation 1) measures the probability of a subscriber's willingness to switch network operator. According to Gujarati (2003), in models, the objective is to find the probability of something happening. Thus, in this study the probability that a particular subscriber is willing to switch network operator is specified as:

$$P_i = Pr(y_i=1) = \frac{e^{x_i\beta}}{1+e^{x_i\beta}} \quad \text{----- (1)}$$

In addition, the probability that a particular subscriber is not willing to switch network operator is expressed as:

$$(1 - P_i) = Pr(y_i = 0) = 1 / (1 + e^{x_i\beta})$$

Thus, the odds ratio i.e. the ratio of the probability that a subscriber is willing to switch network operator to the probability that a subscriber is not willing to switch network operator is written as:

$$P_i / (1 - P_i) = e^{x_i\beta} / 1 + e^{-x_i\beta} \quad \text{----- (2)}$$

The logarithm of the ratio and is the log-odds ratio and the log-odds ratio is a linear function of the explanatory variables. That is:

$$\log_e P_i / (1 - P_i) = \beta_0 + \sum_{j=1}^k \beta_j x_{ij} \quad \text{----- (3)}$$

This equation uses the natural log of the odds and is called the logistic transformation, which is otherwise known as Logit.

4.2.3 Explanation of Model

For the analysis of determinants of brand switching in mobile service provider used binary Logistic Regression techniques because our dependent variable is binary variable.

All Dependent and Dependent variables have binary coding of Yes=1 & No=0

Dependent Variable = Brand Switching

Independent Variable

SF= (Service Failure)

CS = (Customer Services)

P= (Price)

I= Inconvenience

C= Customer Satisfaction

The generalized form of Model is

$$\text{SWITCHING} = f(\text{SF}, \text{CS}, \text{Price}, \text{Inconvenience}, \text{Customer Satisfaction})$$

$$\text{BS} = \beta_1 + \beta_2\text{SF} + \beta_3\text{CS} + \beta_4\text{Price} + \beta_5\text{Inconvenience} + \beta_6\text{Customer Satisfaction} + \mu \text{ ----- (4)}$$

Where

BS= Brand Switching

SF = Service Failure

CS = Customer Services

Price= Price

Inconvenience = Inconvenience

Customer Satisfaction = Customer Satisfaction

μ = Is white noise (include all omitted variables that can influence the dependent variables)

β_s ,= Parameters to be estimated to measure the impact of customer service, service failure, Price, and customer satisfaction and inconvenience on brand switching.

4.2.4 Hypothesis

H1: Service Failure has a significant impact on brand switching in the telecom industry (mobile service providers).

H2: Customer satisfaction has a significant impact on brand switching in the telecom industry (mobile service providers).

H3: Price has a significant impact on brand switching in the telecom industry (mobile service providers).

H4: Inconvenience has a significant impact on brand switching in the telecom industry (mobile service providers).

H5: Customer Services has a significant impact on brand switching in the telecom industry (mobile service providers).

5. DATA ANALYSIS

We used primary data collected through a structured questionnaire. The reliability of 19 items in the questionnaire consist of sample size 25 have tested with Cronbach alpha (Cronbach, 1951). Cronbach's alpha reliability coefficient is 0.706 which is exceeding the recommended level of 0.70 (According to Nunnally 1978). It proved that questionnaire is reliable and can be further used for analysis of concerned research as is shown in the table 1

Table 1 Reliability Statistics

Cronbach alpha	N of Items
0.706	25

Total numbers of respondents were 300 and all had been switched due to dissatisfaction. Table 2 reflects the frequency distribution of total respondents in district Vehari and district Multan. 66.7 percent respondents were from district Vehari while 33.3 percent were from district Multan.

Table 2: Frequency Distribution of Respondents in District in Southern Punjab

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid VEHARI	200	66.7	66.7	66.7
MULTAN	100	33.3	33.3	100.0
Total	300	100.0	100.0	

Table 3: Age of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18 to 28	132	44.0	44.0	44.0
29 to 38	125	41.7	41.7	85.7
Up to 38	43	14.3	14.3	100.0
Total	300	100.0	100.0	

Table 5: What is your present Cellular network?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Mobilink	23	7.7	7.7	7.7
Ufone	43	14.3	14.3	22.0
Warid	63	21.0	21.0	43.0
Telenor	82	27.3	27.3	70.3
Zong	89	29.7	29.7	100.0
Total	300	100.0	100.0	

Table 2 revealed that out of 300 respondents, 132 respondents have their age between 18 to 28 years old, 125 respondents were lying between 29 to 38 and 43 respondents were of age above 38 years. In terms of percentage, 44, 41.7 and 14.3 percent were those having age between, 18-28, 29-38 and above 38 years respectively.

Table 4: Gender Distribution of Sample

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid MALE	200	66.7	66.7	66.7
FEMALE	100	33.3	33.3	100.0
Total	300	100.0	100.0	

Out of 300 respondents related to gender 200 respondents were male and 100 females that mean 66.7 % respondents was male and 33.3% respondents were females.

Out of 300 respondents, 7.7, 14.3, 21, 27.3 and 29.7 percent were using Mobilink, Ufone, Warid, Telenor and Zong network respectively. Data also revealed that maximum respondents were those currently using Zong network after switching.

Table 5: Is this switched Cellular network? (Converted to other network)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid YES	300	100.0	100.0	100.0

All 300 respondents were those who had switched from some other network due to one or the other reasons.

Table 6: Do You Satisfied with your switched Cellular network (Current network)?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid NO	97	32.3	32.3	32.3
Valid YES	203	67.7	67.7	100.0
Total	300	100.0	100.0	

In response to their satisfaction with their current network, data revealed that 67.7 percent were satisfied with their current service provider while 32.3 percent were still unsatisfied.

Table 7: What was your previous Cellular network?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Mobilink	62	20.7	20.7	20.7
Valid Ufone	93	31.0	31.0	51.7
Valid Warid	80	26.7	26.7	78.3
Valid Telenor	37	12.3	12.3	90.7
Valid Zong	28	9.3	9.3	100.0
Total	300	100.0	100.0	

Regarding previous network, out of 300 respondents Mobilink subscriber were 62 (20.7 %), Ufone subscriber were 93 (31 %), Warid subscribers were 80 (26.7%), Telenor users were 37 (12.3%) and Nonsubscribers were 28 (9.3%). Data further displayed that highest switching took place from Ufone subscribers due to one or the other reasons. The second highest numbers of switchers of those who were using Warid network, while lowest numbers of switchers were among Zong subscribers.

Table 8: Do you satisfied from your previous network?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid NO	300	100.0	100.0	100.0

All 300 respondents were not satisfied with previous network that's why they have switched their network with 100 % dissatisfaction.

Table 9: Have you faced "Service Failure" problem in previous network.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid NO	114	38.0	38.0	38.0
Valid YES	186	62.0	62.0	100.0
Total	300	100.0	100.0	

Out of 300 respondents 186 respondents with percentage of 62.0 % said that they had problem of service failure, whereas 114 respondents with 38.0 % said that they hadn't victimized by service failure.

Table 10: If "YES" then what type of service failure you faced in previous network.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid not related	114	38.0	38.0	38.0
Valid Network Busy	59	19.7	19.7	57.7
Valid Less coverage	62	20.7	20.7	78.3
Valid Call drop	42	14.0	14.0	92.3
Valid Multiple Issues	23	7.7	7.7	100.0
Total	300	100.0	100.0	

From total 300 respondents 114 said that they had not have service failure issue. Remaining 186 respondents faced issues 19.7 % respondents said that they had “Network Busy” issue, 62 with 20.7 % respondents said that they had issue of “Less coverage”, 42 with 14.0 % respondents said that they have “Call drop” issue and remaining 23 with 7.7 % said that they had “Multiple Issue”.

Table 11: Have you faced “Customer Services issues” in previous network?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid NO	124	41.3	41.3	41.3
Valid YES	176	58.7	58.7	100.0
Total	300	100.0	100.0	

As concern to Customer services out of 300 respondents 124 (41.3 %) respondents replied that they had not issue of customer services but 176 (58.7%) respondents said that they had customer services issue.

Table 12:If “YES” then what type of customer services Issues you faced among following

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Not related	124	41.3	41.3	41.3
Valid Bad courtesy of customer services	51	17.0	17.0	58.3
Valid Routing from franchise to help line and help line to franchise	59	19.7	19.7	78.0
Valid Customer Services are with the name, they do not solve your problems or issues	37	12.3	12.3	90.3
Valid Multiple Issues	29	9.7	9.7	100.0
Total	300	100.0	100.0	

Out of total 300 respondents, 124 (41.3%) respondents said that they did not have issue of customer services while remaining 176 respondents said that they had issues of customer services. Among those 17.0 %, 19.7 %, 12.3 % and 9.7% reported the issues of bad courtesy, routing from franchise to help line and help line to franchise, nonattendance of complaint and multiple issues respectively.

Table 13: Have you faced price problem in previous network?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid NO	127	42.3	42.3	42.3
Valid YES	173	57.7	57.7	100.0
Total	300	100.0	100.0	

Price is one the main determinants of switching. Out of 173 Respondents, 57.7 % faced price issue while 127 (42.3%) respondents said that they had not issue of price but have other issue.

Table 14: Define Price of Call & SMS/MMS services regarding previous network?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Low	127	42.3	42.3	42.3
Valid High	173	57.7	57.7	100.0
Total	300	100.0	100.0	

173 respondents with 57.7 % said that price is high but 127 with 42.3 respondents said that price is low and they had not switched due to price factor.

Table 15: Have you faced the problem of “Inconvenience” in your previous network?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid NO	141	47.0	47.0	47.0
Valid YES	159	53.0	53.0	100.0
Total	300	100.0	100.0	

Inconvenience factor results showed that 159 (53.0 %) respondents said they had inconvenience issue while other 141 (47.0 %) respondents said that they had not issue of inconvenience in their previous network. It means that there were other issues that made them switched.

Table 16: If “YES” then what faced you from following

	Frequency	Percent	Valid Percent	Cumulative Percent
Not Related	141	47.0	47.0	47.0
Subscription of your SMS, MMS and call packages are not on time.	21	7.0	7.0	54.0
Valid Packages are activated automatically without intentions to customers	83	27.7	27.7	81.7
Balance lost is usually happens	21	7.0	7.0	88.7
Multiple Issues	34	11.3	11.3	100.0
Total	300	100.0	100.0	

Results of the analysis regarding different factors of inconvenience are presented in table 16. It was observed that highest percentages (27.7 %) of respondents were agreed on the factor of “packages are activated automatically without intentions to customers”. The second highest factor was “multiple issues”. However, 141(47.0 %) respondents said that they had no issue of inconvenience.

Table 17: Hidden charges are deducted in previous network.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid No	141	47.0	47.0	47.0
YES	159	53.0	53.0	100.0

Total	300	100.0	100.0
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In response to the question of whether you have faced the problem of hidden charges. The results revealed that 53% responded in positive while 47% stated that they had no experience of hidden changes.

Table 18: Un-intentioned subscription of packages

	Frequency	Percent	Valid Percent	Cumulative Percent
No	141	47.0	47.0	47.0
Valid YES	159	53.0	53.0	100.0
Total	300	100.0	100.0	

Un-intentioned subscription of packages was observed another issue which caused many to switch their network. Data displayed that 53% respondents confronted the problem of un-intentional subscription. However, 47% respondents did not face this issue.

Table 19 : How long you are using your current network ?

	Frequency	Percent	Valid Percent	Cumulative Percent
Less than 6 Months	171	57.0	57.0	57.0
One Year	61	20.3	20.3	77.3
Valid TWO Year	36	12.0	12.0	89.3
More than TWO Year	32	10.7	10.7	100.0
Total	300	100.0	100.0	

Results regarding the period of use of their present network disclosed that 57.0%, 20.3%, 12% and 10.7% respondents said that they were using present network since 6, 36, 24 and 24 months respectively.

Table 20: How much times you have switched your network?

	Frequency	Percent	Valid Percent	Cumulative Percent
One Time	40	13.3	13.3	13.3
Two Times	63	21.0	21.0	34.3
Valid THREE TIMES	79	26.3	26.3	60.7
Multiple Times	118	39.3	39.3	100.0
Total	300	100.0	100.0	

Tendency of switching among respondents illustrated that 40 with 13.3% respondent's switched one time, 63 with 21.0 % respondents switched two times, 79 with 26.3% respondents switched their network three times and 118 with 39.3% respondents switched their network multiple times.

Table 21: Will you wish to switch further to another mobile connection in near future?

	Frequency	Percent	Valid Percent	Cumulative Percent
NO	126	42.0	42.0	42.0
Valid YES	174	58.0	58.0	100.0
Total	300	100.0	100.0	

Preference regarding switching in future illustrated that 126 (42.0%) respondents said that they had no intentions to switch further but 174 (58.0 %) respondents said that they had intentions to switch further to other service provider.

Table 22: What features shall attract you to switch further?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid No Intentions to Switch further	126	42.0	42.0	42.0
Innovative VAS	21	7.0	7.0	49.0
Existing services dissonance	97	32.3	32.3	81.3

New Technology attractiveness (3G, 4G LTE etc)	29	9.7	9.7	91.0
Multiple Attractions	27	9.0	9.0	100.0
Total	300	100.0	100.0	

Preference regarding attraction of distinctive features of cellular services out of 300 respondents 126 with 42.0% said that they did not have intentions to switch their network further. Remaining 176 respondents reported that they have various attractions to switch further to other network. 21 (7.0%) said that they have attraction of innovative VAS (Value Added Services), 29 (9.7%) said that they prefer New Technology attractiveness (3G, 4G LTE etc), 27 (9.0%) said that they have Multiple attractions and remaining 97 (32.3%) said that they have still in dissonance due to existing services.

6. CORRELATION ANALYSIS

Table 23 Correlation Results

Correlations

	Do You Satisfied with your switched Cellular network (Current network)?	Have you faced “Service Failure” in previous network.	Have you faced “Customer Services issues” in previous network?	Have you faced price problem in previous network?	Have you faced the problem of “Inconvenience” in your previous network?
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Do You Satisfied with your switched Cellular network (Current network)?	Pearson Correlation	1	.208**	-.204**	.201**	.106
	Sig. (2-tailed)		.000	.000	.000	.067
	N	300	300	300	300	300
Have you faced “Service Failure” problem in previous network.	Pearson Correlation	.208**	1	-.002	.233**	-.049
	Sig. (2-tailed)	.000		.977	.000	.395
	N	300	300	300	300	300
Have you faced “Customer Services issues” in previous network?	Pearson Correlation	-.204**	-.002	1	-.157**	-.031
	Sig. (2-tailed)	.000	.977		.006	.594
	N	300	300	300	300	300
Have you faced price problem in previous network?	Pearson Correlation	.201**	.233**	-.157**	1	.045
	Sig. (2-tailed)	.000	.000	.006		.440
	N	300	300	300	300	300
Have you faced the problem of “Inconvenience” in your previous network?	Pearson Correlation	.106	-.049	-.031	.045	1
	Sig. (2-tailed)	.067	.395	.594	.440	
	N	300	300	300	300	300

** . Correlation is significant at the 0.01 level (2-tailed).

This analysis is based on bivariate analysis with two tailed on “Pearson Correlation Coefficient” and significance of correlation has been checked at 0.01 Level (2-Tailed). Results show that “Brand switching and service failure” have positive and significant relationship whereas brand switching and customer services have negative and significant relationship. As concern to brand switching and price correlation it has positive and significant relationship. Results shows the strong association among independent and dependent variable.

7. REGRESSION ANALYSIS

Regression analysis was also employed to see the impact of variables of inconvenience, service failure, customer satisfaction, and price on brand switching. As the dependent variable was binary variable, therefore, we used logistic regression analysis by STATA software. The results of the logistic regression are given as under:-

Table 24 Regression Results

Logistic regression	Number of obs	=	300
	LR chi2(4)	=	34.91
	Prob > chi2	=	0.0000
Log likelihood = -171.34985	Pseudo R2	=	0.0925

switching	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
inconvenience	.5084912	.2642028	1.92	0.054	-.0093367	1.026319
sf	.8670024	.2715635	3.19	0.001	.3347476	1.399257
cs	-.8999542	.2813019	-3.20	0.001	-1.451296	-.3486126
price	.5794689	.2678686	2.16	0.031	.0544562	1.104482
_cons	.2259063	.3243179	0.70	0.486	-.4097451	.8615578

7.1 Inconvenience and Brand Switching

H1: Inconvenience has a positive and significant impact on brand switching in the telecom industry regarding mobile service providers. Results revealed that variable inconvenience impacted significantly and positively on brand switching with p-value 0.054. In simple words we may say that if inconvenience increases then brand switching will also increase. The Coefficient of the variable is .508 which means that this determinant as independent variable has strong impact on dependent variable i.e. brand switching that aspect resemble the research work done by Saeed et al, 2013 also endorse our results.

7.2 Service Failure and Brand Switching

H2: Service Failure has a positive and significant impact on brand switching in the telecom industry regarding mobile service providers. Variable service failure also impacted significantly

and positively on brand switching with value p-value 0.001 that means it has positive and significant impact and in simple words we may say that if service failure increases then brand switching also increase. Results of our study also conforms to the study of Nawaz and Usman (2014). They derived that in mobile service provider market for brand loyalty factor of service quality play a role of back bone. Service failure certainly setback for companies and it results in reduction of brand loyalty. 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. They suggested that operators should formulate that sort of loyalty programs which promote loyalty in order to retain the existing customers.

7.3 Customer Satisfaction and Brand Switching

H3: Customer satisfaction has a negative and significant impact on brand switching in the telecom industry regarding mobile service providers.

All customers are dissatisfied from previous network that's why they have stitched their network from one network to another. As narrated by Qadri. U. A, M . M S . Khan , 2014, According to them they have tested seven variables but on customer retention factors that effects are customer satisfaction, brand image, price perception, switching barrier and trust. It also concludes that customer retention is inversely proportional to switching barrier of attractiveness of alternatives (if higher attractiveness then lower will be customer retention). Those results assist operators to know about importance of factors of trust, price perception and customer satisfaction, another narration by Dr. Rajeev Shuklain 2014 that satisfaction have major impact without this level of satisfaction customer have arbitrary switching behavior regarding various aspects like income and price etc.

7.4 Price and Brand Switching

H4: Price has a positive and significant impact on brand switching in the telecom industry regarding mobile service providers. Determinant of Price impacted significantly with positive impact on brand switching with value $P > |Z|$ of 0.031 that mean it have positive and significant impact and in simple words we may say that if Price increase then brand switching will also increase. Their Coefficient .579 means that this determinant as independent variable have strong impact on dependent variable brand switching and have positive significant impact as narrated by

Hanif, M,et al. (2010). On other research work by Malik, M.E., Muhammad ,M.G.,& Hafiz, KI., (2012) that Improvements regarding betterment of price, quality services and good brand image would certainly lead to greater customer satisfaction. When price in increased it will impact negative relationship on customer satisfaction but brand image and quality of services have positive relationship as increase customer satisfaction would surely increase.

7.5 Customer Services and Brand Switching

H5: Customer Services has a negative and significant impact on brand switching in the telecom industry regarding mobile service providers. Determinant of Customer services impacted significantly with negative impact on brand switching with value $P > |Z|$ of 0.001 that mean it has significant impact and in simple words we may say that if customer services are good then brand switching will reduce and if customer services are bad then brand switching will increase. Their Coefficient -.899 means that this determinant as independent variable have strong impact on dependent variable brand switching and have negative significant impact as narrated by Hanif, M., Sehrish, H., & Adnan.,R.(2010). Kofi A. Boateng in 2013 suggests that customer care worked as overriding for consideration to mold intentions of subscribers while mobile number portability that means it have impacted and act as a significant role regarding this. The LR statistic is 34.91 which is statistically significant and reject the null hypothesis that slop coefficients are simultaneously equal to zero.

7.6 ODD Ratio

Table 25 Odd Ratio Results

Logistic regression	Number of obs	=	300
	LR chi2(4)	=	34.91
	Prob > chi2	=	0.0000
Log likelihood = -171.34985	Pseudo R2	=	0.0925

switching	Odds Ratio	Std. Err.	z	P> z	[95% Conf. Interval]	
sf	2.379767	.6462578	3.19	0.001	1.397588	4.052189
cs	.4065883	.1143741	-3.20	0.001	.2342665	.7056664
price	1.78509	.4781695	2.16	0.031	1.055966	3.01766
inconvenie~e	1.66278	.4393112	1.92	0.054	.9907067	2.790774

Table 25 shows the result of all the variables in terms of odds ratio. The variable service failure was highly significant and positively related to dependent variable. The results of service failure revealed that respondents who faced service failure had two times greater changes to switch their network provided other things remained same. Variable customer satisfaction displayed that one who was satisfied was less likely to switch. The results of price revealed that customers who were price conscious were 1.78 times more likely to switch. While variable inconvenience reflected that respondents who had confronted with this issue had 1.66 times more likely to change their network. The LR statistics is 34.91 which is highly significant and rejects that null hypotheses that all slope coefficients are statistically zero.

8. FINDINGS AND RESULTS

The research “Determinants of Brand switching in Mobile Service Providers: A Case Study of Telecom Industry in Southern Punjab” conducted to explore the aspects behind subscriber’s switching behavior in cellular services sector of Pakistan. The objectives of this research was to analyze the determinants that cause brand switching, to judge the satisfaction level, preferences and behavior of customers towards various service providers in context of brand switching. Customers switched their network due to dissatisfaction of existing network as we called this process brand switching. Determinants include customer services, service failure, inconvenience, customer satisfaction and price were analyzed from 300 respondents (All are switched customers) on convenient bases from two districts Vehari & Multan of Southern Punjab through self-administrated questionnaire. Descriptive and Logistic regression methods were used for data analysis. The results revealed that customer satisfaction has negative relationship with brand switching while services failure, price and inconvenience have positive relationship with brand switching. P-value of all the positively related variables shows that all are significant. All variables used in this research have significant relationship and depicted that customer services have negative but significant relationship with brand switching it means brand switching happens when customer services is bad but if customer services are good customer retention occurs exceptions of other determinants. Same behavior with customer satisfaction as customer is satisfied it will negate brand switching but dissatisfied customer will surely go for brand switching. In Case of Price, inconvenience and service failure it has positive but significant relationship with brand

switching. It illustrates that as customer victims by service failure and inconvenience will surely go for brand switching. Regarding price, it has also positive and significant relationship with brand switching as higher price brand switching occurs and customer prefers to some economical network. Customers' behavior demonstrates that 171 respondents with 57.0 % said that they are using present cellular network less than 6 months, 61 with 20.3 % said that they used present cellular network from one year, 36 with 12.0 respondents said that they were using current network from two years and 32 with 10.7 respondents said that they were using current network from more than two years. As regard to preference, tendency of switching among respondents illustrated that 40 with 13.3% respondent's switched one time, 63 with 21.0 % respondents switched two times, 79 with 26.3% respondents switched their network three times, and 118 with 39.3% respondents switched their network multiple times. Preference impacts in shape of innovative VAS (Value added services), New Technological attractiveness (3G, 4G LTE), existing services dissonance (existing customer dissatisfaction) and other multiple attractions were noted during the study.

9. CONCLUSIONS

Our study concludes that reason behind switching is caused by factors such as price, inconvenience, customer services, customer satisfaction, and service failure. As concerns to preferences of customer excluding existing services dissonance they have other priorities of innovative VAS and new technological attractiveness. Switched customers have used to switch from one network to another for many times and their attitude regarding switching is arbitrary and not persistent. In spite of that companies should focus on the causes mentioned in our study to reduce customer switching by creating strong customer relationship and more attractiveness to retain customer at existing network that will produce long term profitability for companies.

9. RECOMMENDATIONS

Based on results of this study, it is recommended that

- Companies should focus on determinants that cause brand switching to reduce switching behavior.
- Capitalize on service efficiency to reduce service failure issue.
- Customer services should be made better especially courtesy and prompt respond should be ensured not only at call centers but also at service centers and franchises.

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- Companies should focus on long term relationship in spite of getting bread through wrong ways like un-intentional subscriptions of VAS (Caller Tones, Un-Intentional subscription of packages).
 - Customers should be entertained at one stop shop, routing process of customer to call center to franchise and franchise to service center offend customers and forced them to switch from one network to another.
 - New attractiveness can create a better positioning in-spite of satisfied customer, if a customer is satisfied and your competitor get distinctive edge on you by new attractiveness like technological enhancement at that time your satisfied customer become a dissatisfied and may change your network so a company should dynamics & innovative regarding their offerings
 - Inter facilitation module of a company should be as economical, E.g. FNF (Friends and family) that your circle of friends' business concerned prospects should influence and get attached at same network
 - Should deliver same as customer perceive and promised by company
 - Companies should work or conduct loyalty programs and also ensure trust of customer on offerings that they are claiming
 - Companies have to develop public image to attract customers and that perception will result as potentiality
 - Companies should develop retention strategies to reduce switching.
 - Quality and performance of services can sustain customer at present network, so companies should maximum focus on core benefits of the services and provide promised offering to their valued customer
 - Availability of services matters but new rival may disturb existing provider that why companies have to focus on all aspects whether they have monopoly on market at present era.
 - As customer is loyal company enjoy long term customer relationship and that relationship will provide long term profitability to customer so that's why companies have to concentrate on customer loyalty programs.

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