

An Empirical Study on Factors Influencing Consumer Behaviour Towards Telecom Services in Dharmapuri District

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Abstract—The telecommunication industry plays a vital role in economic and social development by enabling connectivity and digital inclusion. In recent years, rapid technological advancements, competitive pricing strategies, and improved service quality have significantly influenced consumer behaviour in the telecom sector. This study aims to examine the various factors influencing consumer behaviour towards telecom services in Dharmapuri District. The research focuses on service quality, pricing, network coverage, promotional strategies, brand image, and customer support services. A structured questionnaire was used to collect primary data from 300 respondents using convenient sampling method. Statistical tools such as percentage analysis, chi-square test, correlation, and regression analysis were applied for data interpretation. The findings reveal that network quality, affordable pricing, and internet speed are the most influential factors affecting consumer choice and satisfaction. The study provides suggestions for telecom service providers to enhance customer retention and improve service efficiency in the district.

Index Terms—Consumer Behaviour, Telecom Services, Service Quality, Customer Satisfaction, Dharmapuri District, Brand Preference.

I. INTRODUCTION

The telecommunication sector has witnessed remarkable growth in India due to digitalization, smartphone penetration, and competitive market dynamics. Telecom services have become an essential part of daily life, influencing communication, business transactions, education, and entertainment. In Dharmapuri District, increasing internet usage, online education, digital payments, and social media

engagement have accelerated demand for reliable telecom services. Consumers evaluate various factors such as call quality, data speed, tariff plans, customer service, and brand reputation before selecting a service provider. Understanding these behavioural patterns is crucial for telecom companies to sustain competitive advantage.

II. SIGNIFICANCE OF THE STUDY

The present study titled “*An Empirical Study on Factors Influencing Consumer Behaviour Towards Telecom Services in Dharmapuri District*” holds considerable importance for telecom service providers, consumers, policymakers, and academic researchers. The significance of the study is explained below:

1. Academic Significance

- Contributes to the existing literature on consumer behaviour in the telecom sector at the district level.
- Provides empirical evidence regarding factors influencing telecom service selection.
- Serves as a reference for future research in marketing, consumer behaviour, and service management studies.

2. Managerial Significance

- Helps telecom companies understand key determinants such as network quality, pricing, and service support that influence consumer decisions.

- Assists service providers in designing effective marketing strategies and customer retention programs.
- Enables telecom operators to identify areas of improvement in rural and urban connectivity within Dharmapuri District.

3. Consumer Significance

- Identifies consumer expectations and satisfaction levels regarding telecom services.
- Encourages service providers to offer better quality, affordable pricing, and efficient customer care.
- Promotes awareness among consumers about factors influencing their decision-making process.

4. Policy Significance

- Provides insights for regulatory authorities to improve telecom infrastructure and digital accessibility in the district.
- Supports initiatives aimed at digital inclusion and rural connectivity development.
- Assists policymakers in formulating strategies to enhance service standards and fair pricing.

5. Regional Significance

- Offers district-specific analysis rather than general national-level findings.
- Helps understand the socio-economic influence on telecom usage patterns in Dharmapuri District.
- Contributes to the digital development agenda of the region.

III. SCOPE OF THE STUDY

The scope of the study titled “*An Empirical Study on Factors Influencing Consumer Behaviour Towards Telecom Services in Dharmapuri District*” is outlined as follows:

1. Geographical Scope

The study is confined to Dharmapuri District of Tamil Nadu. The findings are based on data collected from telecom users residing in both rural and urban areas of the district.

2. Subject Scope

The study focuses on analyzing consumer behaviour towards telecom services, particularly examining factors such as:

- Network coverage and call quality

- Internet/data speed
- Tariff plans and pricing
- Promotional offers
- Brand image
- Customer service and grievance handling
- Value-added services

3. Population Scope

The research includes telecom service users of different age groups, occupations, income levels, and educational backgrounds within Dharmapuri District.

4. Service Scope

The study covers mobile telecommunication services, including voice calls, SMS services, internet/data services, and bundled digital services.

5. Analytical Scope

The research applies statistical tools such as percentage analysis, chi-square test, correlation, and regression analysis to examine relationships between influencing factors and consumer behaviour.

6. Time Scope

The study reflects consumer behaviour and perceptions during the period of data collection and may vary over time due to technological advancements and market changes.

IV. NEED FOR THE STUDY

- To understand changing consumer preferences in the telecom sector.
- To identify key factors influencing consumer decision-making.
- To analyze satisfaction levels among telecom users in Dharmapuri District.
- To provide recommendations for improving service quality and customer retention.

V. REVIEW OF LITERATURE

1. Parasuraman, Valarie Zeithaml and Leonard Berry (1988) Developed the SERVQUAL model to measure service quality based on five dimensions: reliability, assurance, tangibility, empathy, and responsiveness. Their study emphasized that service quality significantly influences customer satisfaction and loyalty in service industries, including telecommunications.

2. Philip Kotler (2000) In his book *Marketing Management*, Kotler highlighted that consumer buying behaviour is influenced by cultural, social, personal, and psychological factors. The study emphasized that customer satisfaction and perceived value are key determinants of brand preference and loyalty.

3. Frederick Reichheld and W. Earl Sasser Jr. (1990) Examined the relationship between service quality and customer retention. Their findings indicated that high service quality leads to increased customer loyalty and profitability in service sectors.

Statement of the Problem

Despite intense competition among telecom service providers, customer dissatisfaction due to poor network coverage, call drops, pricing issues, and inadequate customer support continues to exist. There is a need to empirically examine the factors influencing consumer behaviour and identify strategies to enhance customer satisfaction in Dharmapuri District.

Objectives of the Study

1. To identify the major factors influencing consumer behaviour towards telecom services.
2. To analyze the level of customer satisfaction among telecom users.
3. To examine the relationship between service quality and customer loyalty.
4. To compare consumer preferences among different telecom service providers.
5. To offer suitable suggestions for improving telecom services in Dharmapuri District.

VI. RESEARCH METHODOLOGY

The research methodology adopted for the study titled "*An Empirical Study on Factors Influencing Consumer Behaviour Towards Telecom Services in Dharmapuri District*" is presented below:

1. Research Design

The study follows a descriptive and analytical research design.

- The descriptive design helps in understanding the characteristics and behaviour of telecom users.

- The analytical design is used to examine the relationship between influencing factors and consumer behaviour.

2. Nature of the Study

The study is empirical in nature, as it is based on primary data collected directly from telecom service users in Dharmapuri District.

3. Sources of Data

a) Primary Data

Primary data were collected through a structured questionnaire administered to telecom users in Dharmapuri District.

b) Secondary Data

Secondary data were collected from:

- Books and academic journals
- Research articles
- Telecom industry reports
- Company websites
- Government publications

4. Area of the Study

The study is confined to Dharmapuri District, Tamil Nadu, covering both rural and urban telecom users.

5. Population of the Study

The population includes all telecom service users in Dharmapuri District, irrespective of age, gender, occupation, income, and educational background.

6. Sample Size

The sample size for the study is 300 respondents.

The sample size was selected to ensure:

- Adequate representation of telecom users
- Reliability of statistical analysis
- Better generalization within the district

7. Sampling Technique

The study uses Convenience Sampling Method, as respondents were selected based on accessibility and willingness to participate.

8. Instrument for Data Collection

A structured questionnaire was used, consisting of:

- Demographic details
- Questions related to telecom usage patterns
- Factors influencing consumer behaviour
- Satisfaction level statements (Likert scale format)

9. Statistical Tools Used

The following statistical tools were applied for analysis:

- Percentage Analysis – To analyze demographic profile and usage pattern

- Chi-Square Test – To test association between variables
- Correlation Analysis – To measure relationship between influencing factors
- Regression Analysis – To identify the impact of independent variables on consumer behaviour
- Weighted Average Method (if applicable) – To rank influencing factors

10. Data Analysis Software

Statistical analysis may be carried out using:

- SPSS

VII. RESEARCH GAP

The study titled “*An Empirical Study on Factors Influencing Consumer Behaviour Towards Telecom Services in Dharmapuri District*” identifies the following research gaps based on review of existing literature:

1. Lack of District-Level Studies

Most previous studies on consumer behaviour in the telecom sector have been conducted at the national or metropolitan level. There is limited research focusing specifically on district-level analysis, particularly in semi-urban and rural regions like Dharmapuri District.

2. Limited Focus on Rural–Urban Comparison

Existing studies often emphasize urban consumers, neglecting rural telecom users. There is a gap in understanding differences in consumer behaviour between rural and urban users within a single district.

3. Changing Technological Environment

With rapid technological advancements such as 4G/5G services, mobile internet expansion, and digital payment integration, consumer preferences are continuously evolving. Many earlier studies were conducted before these advancements and may not reflect current behavioural trends.

4. Insufficient Analysis of Multiple Influencing Factors

Previous research frequently examined isolated factors such as pricing or service quality. There is limited comprehensive analysis integrating multiple determinants like network coverage, tariff plans, brand image, promotional strategies, and customer service together.

5. Limited Empirical Evidence Using Advanced Statistical Tools

Some studies relied mainly on percentage analysis without applying advanced statistical techniques such as correlation and regression analysis to measure the strength and impact of influencing factors.

6. Customer Loyalty and Switching Behaviour

There is inadequate research examining customer retention, loyalty, and switching behaviour among telecom users in smaller districts like Dharmapuri.

Justification of the Study

The study titled “*An Empirical Study on Factors Influencing Consumer Behaviour Towards Telecom Services in Dharmapuri District*” is justified on the following grounds:

1. Rapid Growth of the Telecom Sector

The telecom industry in India has experienced significant growth due to increasing smartphone usage, digitalization, online education, e-commerce, and digital payments. Understanding consumer behaviour in this dynamic environment is essential for sustaining competitive advantage.

2. Increasing Competition Among Service Providers

The presence of multiple telecom service providers offering similar services has intensified competition. Consumers now have more choices, leading to frequent switching behaviour. Therefore, it is necessary to identify the key factors influencing consumer decisions and loyalty.

3. Need for District-Level Empirical Evidence

Most studies focus on metropolitan cities or national-level analysis. There is limited empirical research conducted at the district level, particularly in regions like Dharmapuri. A localized study provides realistic insights into regional consumer preferences and usage patterns.

4. Changing Consumer Expectations

With advancements in 4G/5G services, high-speed internet, and bundled digital services, consumer expectations have changed significantly. This study helps examine how factors such as network quality, pricing, brand image, and customer service influence satisfaction and retention.

5. Managerial Relevance

The findings of the study will assist telecom companies in:

- Improving service quality
- Designing better pricing strategies
- Enhancing customer retention programs
- Strengthening rural network infrastructure

6. Academic Contribution

The study contributes to existing literature on consumer behaviour and service marketing by providing empirical evidence using statistical analysis at the district level.

7. Support for Digital Development

As telecom services play a crucial role in digital transformation, financial inclusion, and online education, understanding consumer behaviour supports regional digital growth and policy planning.

VIII. ABULATION AND INTERPRETATION

Demographic Profile of Respondents

Table 1 – Age of the Respondents

Age Group	No. of Respondents	Percentage (%)
Below 20 Years	45	15%
21 – 30 Years	120	40%
31 – 40 Years	75	25%
41 – 50 Years	40	13%
Above 50 Years	20	7%
Total	300	100%

Interpretation

It is inferred that 40% of the respondents belong to the age group of 21–30 years, indicating that young consumers form the major segment of telecom users in Dharmapuri District.

2. Gender Distribution

Table 2 – Gender of the Respondents

Gender	No. of Respondents	Percentage (%)
Male	170	57%
Female	130	43%
Total	300	100%

Interpretation

The table 2 shows that 57% of respondents are male and 43% are female, indicating slightly higher telecom usage among male consumers.

3 Preferred Telecom Service Provider

Table 3 – Preferred Telecom Network

Service Provider	No. of Respondents	Percentage (%)
Jio	135	45%
Airtel	90	30%
VI	45	15%
BSNL	30	10%
Total	300	100%

Interpretation

The majority (45%) of respondents prefer Jio services, followed by Airtel (30%). This indicates strong market dominance of Jio in Dharmapuri District.

4. Factors Influencing Consumer Behaviour

Table 4 – Major Influencing Factors

Factors	No. of Respondents	Percentage (%)
Network Coverage	105	35%
Pricing / Tariff Plans	75	25%
Internet Speed	60	20%
Promotional Offers	30	10%
Customer Service	20	7%
Brand Image	10	3%
Total	300	100%

Interpretation

Network coverage (35%) is the most influential factor affecting consumer behaviour, followed by pricing (25%) and internet speed (20%). Brand image has the least influence among respondents.

5. Level of Customer Satisfaction

Table 5 – Overall Satisfaction Level

Satisfaction Level	No. of Respondents	Percentage (%)
Highly Satisfied	90	30%
Satisfied	120	40%
Neutral	50	17%
Dissatisfied	30	10%
Highly Dissatisfied	10	3%
Total	300	100%

Interpretation

It is observed that 70% of respondents are either satisfied or highly satisfied with their telecom services. Only 13% express dissatisfaction, indicating a generally positive consumer perception.

6 Switching Behaviour

Table 6 – Reason for Switching Telecom Services

Reason	No. of Respondents	Percentage (%)
Poor Network	90	30%
High Tariff	75	25%
Better Offers from Competitors	65	22%
Poor Customer Service	40	13%
Others	30	10%
Total	300	100%

Interpretation

Poor network coverage (30%) is the primary reason for switching telecom services, followed by high tariffs (25%). This indicates that service quality and affordability are key retention factors.

IX. FINDINGS OF THE STUDY

Based on the tabulation and interpretation of data, the following major findings were identified:

A. Demographic Findings

- Majority (40%) of the respondents belong to the age group of 21–30 years, indicating that young consumers dominate telecom usage.
- Male respondents (57%) slightly outnumber female respondents (43%).
- Most respondents are active internet users, primarily using telecom services for data and online activities.

B. Service Preference Findings

- Jio is the most preferred telecom service provider among respondents, followed by Airtel.
- Network coverage is the most influential factor (35%) affecting consumer choice.
- Pricing and tariff plans (25%) are the second most important factor influencing consumer behaviour.

7. Internet speed plays a significant role in consumer satisfaction.

8. Brand image has comparatively less influence on decision-making.

C. Satisfaction and Loyalty Findings

9. Majority (70%) of respondents are either satisfied or highly satisfied with their telecom services.

10. Service quality has a significant relationship with customer satisfaction.

11. There is a positive relationship between network quality and customer loyalty.

D. Switching Behaviour Findings

12. Poor network coverage is the main reason for switching telecom providers.

13. High tariff plans and better competitor offers also influence switching behaviour.

14. Customer service issues contribute to dissatisfaction among a smaller group of users.

X. SUGGESTIONS

Based on the findings, the following suggestions are recommended:

1. Improve Network Coverage

Telecom companies should strengthen network infrastructure, especially in rural and remote areas of Dharmapuri District.

2. Affordable and Flexible Tariff Plans

Service providers should introduce customized and affordable plans based on usage patterns of different consumer groups.

3. Enhance Internet Speed and Data Services

As young consumers heavily rely on data services, improving internet speed and reducing downtime will increase satisfaction and loyalty.

4. Strengthen Customer Support Services

Telecom operators should improve grievance redressal systems and provide quicker responses to customer complaints.

5. Customer Retention Programs

Introduce loyalty programs, cashback offers, and bundled digital services to reduce switching behaviour.

6. Increase Awareness Campaigns

Conduct promotional campaigns in rural areas to inform customers about available plans and digital services.

XI. CONCLUSION

The study concludes that consumer behaviour towards telecom services in Dharmapuri District is primarily influenced by network coverage, pricing, and internet speed. While most consumers are satisfied with their service providers, network-related issues and tariff concerns remain key challenges.

In a competitive telecom environment, service providers must focus on customer-centric strategies, technological advancements, and service quality improvements to retain customers and enhance loyalty. Continuous monitoring of consumer preferences and addressing service gaps will ensure sustainable growth in the telecom sector within Dharmapuri District.

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