

FACTORS INFLUENCING TO THE RETENTION OF END CUSTOMERS IN THE MOBILE TELECOMMUNICATION INDUSTRY

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INTRODUCTION

This study intends to investigate how factors including service quality, brand image, switching costs, and trust affect customer retention and examines all mobile phone usage in Sri Lanka. Further, the mobile telecommunications sector has substantially expanded since the 1990s (Mazzoni et al., 2007). However, due to the competitive nature of the present industry, mobile service providers are increasingly finding it difficult to grow and sustain their consumer base (Vu et al., 2021). The telecommunication business appears unending, and the increased demand for mobile phone systems generates a global market (Hossain, 2013). The telecom business appears unending, and the increased demand for mobile phone systems generates a global market (Hossain, 2013). This study's findings and suggestions will be valuable to other researchers, businesses in the mobile telecommunications sector, and informed individuals working with the general public. Additionally, it is still under investigation why consumers in this sector choose to stay with one cell network over another. As a result, there is a gap in customer retention. There are four criteria to take into account in this study as constraints. In addition, vital factors like pricing, service fairness, and staff loyalty affect customer retention. According to Waterbury (2018), considering the competitive nature of the market and the maturity of the mobile telecommunications market, retaining customers has been a critical factor for the success of the mobile telecommunications industry, and Mobile Number Portability (MNP) has a significant impact on customer transfer behaviour. Furthermore, it is a well-known fact that any corporation should be concerned about clients switching to another company because selling to existing customers generates more profit than constantly drawing new users (Mannan et al., 2017; Suleiman Awwad & Neimat, 2010). Thus, the study was conducted to investigate factors influencing the retention of end customers in the mobile telecommunication Industry

METHODOLOGY

The research approach denotes that the research type, explanatory research's primary goal, is to explain why things happen and to forecast what will happen next. Thus, this research was conducted as a descriptive study to explain customer retention to determine the existence of the mobile telecommunications industry. The deductive approach has been used in the study. The researchers look at what others have done, read existing ideas about the topic they are looking into, and then examine hypotheses that emerge from those theories. Quantitative research method was used. It also asks participants precise, targeted questions and collects measurable and quantitative data used in this study. The study was cross-sectional, and the researchers developed a questionnaire to gather data. Here, a questionnaire was used to collect data. Under this study, the researchers selected the 'Random Sampling Technique' to collect data and used the Morgan chart to select 384 mobile phone users as the sample size.

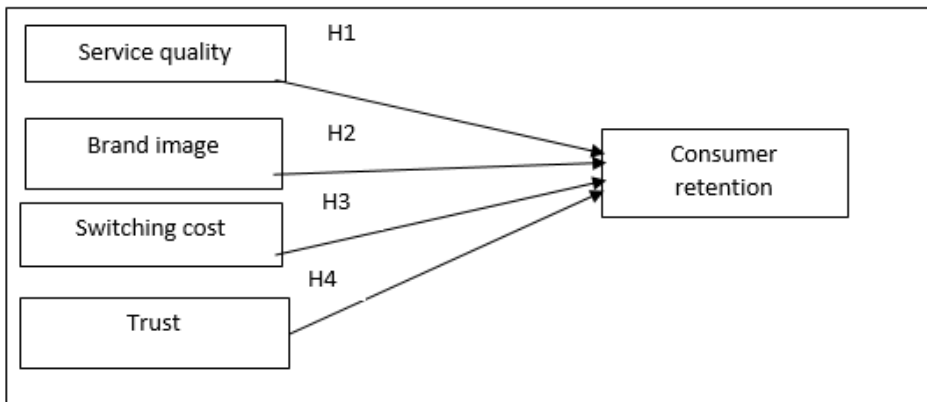


Figure 1. Conceptual Framework

H1: There is a positive relationship between service quality and customer retention in the mobile telecommunication industry.

H2: There is a positive relationship between brand image and customer retention in the mobile telecommunication industry.

H3: There is a positive relationship between switching costs and customer retention in the mobile telecommunication industry.

H4: There is a positive relationship between trust and customer retention in the mobile telecommunication industry.

RESULTS AND DISCUSSION

Table 1 shows the summary of results with hypotheses testing.

Table 1 Hypotheses testing

Hypothesis	Correlation		Decision	Regression		Decision
	R	P		B	P	
H ₁	0.796	0.000	Supported	0.30	0.000	Supported
H ₂	0.783	0.000	Supported	0.79	0.174	Partially Supported
H ₃	0.756	0.000	Supported	0.41	0.469	Partially Supported
H ₄	0.842	0.000	Supported	0.567	0.000	Supported

In the correlation, the significant value of service quality and trust toward customer retention is 0.000. It is less than 0.05 ($p < 0.05$). However, brand image and switching costs are partially supported by customer retention as the values are higher than 0.05 ($p < 0.05$). Despite the increase in brand name and switching costs, consumers seem willing to switch to other networks over time. According to the regression and correlation analysis, service quality, brand image, switching cost, and trust are the factors that influence the retention of end customers in the mobile telecommunication industry. The primary independent variable of the research study is trust, which strongly supports customer retention, according to the analysis. Hence there is a significant positive relationship between customer retention and the other four independent variables. Also, for the dependent variable, customer retention, the mean value was 2.71, and the net deviation was 1.058. However, that variable exists at a level of relative disagreement. The mean value of all variables is not exceeded, which means that most respondents use 2 and 3 (3 is neutral, = disagree). According to the detailed statistics table, the minimum value is 1.00, and the maximum is 5.00. It represents that most respondents use

2 and 3 to answer questions. Therefore, the researchers assume that not all questions will be answered satisfactorily by the respondents.

CONCLUSIONS AND IMPLICATIONS

The central focus of this study was to investigate the effect of the end customer retention on the factors such as service quality, brand image, switching cost, and trust. Furthermore, this study covers all mobile phone use in Sri Lanka. The researchers have established four particular objectives for developing the conceptual framework and research hypothesis based on a comprehensive literature review. To determine the impact of independent variables on customer retention, the researchers distributed 1000 questionnaires among mobile phone users and selected 384 Mobile phone users as a sample in the Mobile telecommunication industry of Sri Lanka. The structured questionnaire was issued for data collection, and the questionnaire was analyzed and evaluated using the software SPSS. Finally, the study's findings suggest that all independent variables positively impact customer retention in the mobile telecommunication Industry. Having confirmed the acceptability level of the reliability of the research instrument, further analysis involving correlation and linear regression was employed to test the formulated hypotheses.

Keywords: Brand image, customer retention, mobile telecommunication industry, service quality, switching cost, trust

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