CUSTOMERS SATISFACTION TOWARDS BSNL SERVICES IN COIMBATORE CITY – AN ANALYSIS

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Abstract

The Indian telecom industry is a sunrise industry and has been one of the major drivers of change in present economy advancements during the last decade. It has contributed significantly to the digital revolution which is being experienced by the world as a whole. It has reduced the space between the communicators with efficient and excellent add-on features. Bharat Sanchar Nigam Limited (BSNL) is one of the large telecom service providers in India. As a major player in the market studying the customer’s level of satisfaction and the factors influencing the use of BSNL services by the customers, would enable the BSNL to develop an appropriate strategy to market their service. Therefore, in the present study 200 respondents using BSNL service, selected from the Coimbatore city, have been asked to provide their opinions on their level of satisfaction and factors responsible for it. Using descriptive statistics and Chi-square test it has been found that quality of the service, cost of the service and high speed internet access as a value added service, have influenced the level of satisfaction of the customers.

Introduction

Communication is the fundamental medium with which an individual lives and performs in tandem with another person, family, peer group, working group, organization and the society. The success of a person in any sphere of life is dependant to a large extent upon the ability to communicate effectively and to verbalize one’s thought precisely. Man has an inborn desire to communicate with others. When language never existed, he made use of facial expressions, gestures and noises. Gradually he started making the use of signs to communicate his ideas and emotions to others. It took some thousand years for him to use phonic substance and transforming them into graphic substance. At this stage, he could communicate with a limited number of people. The industrial revolution in the 19th century and the growth of population brought forth the need for a more efficient means of communication for the human being.

The word ‘communication’ is derived from the Latin word “Communis”, which means common. Thus communication means sharing ideas in common. It means that verbal or written messages are used to exchange the information by means of a technique for expressing ideas effectively. Communication includes everything that may be used to convey meaning from one person to another. The five basis elements of communication namely, speaking, listening, reading, writing and observing are important for successful communication process.

Origin of BSNL

The network that caters to the telecommunication needs of the teeming millions in the country was a part of the Department of Post and Telegraph. The first experimental electric telegraph line was started

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between Calcutta and Diamond Harbour in November 1850 by Dr. William D. Shangnessy. A regular telegraph department was set up in 1854 and in 1895, phonograms were introduced.

After the implementation of the Federal financial integration scheme in April 1950, the administration of the entire network of telegraph and telephone systems became a major adventure. Many attempts were made to improve their technical efficiency. Meanwhile, Radiotelephone communications between England and India were opened in 1933. The Indo-Burma Radio and the Bombay Calcutta telephone services started functioning in 1936. The Bombay, Calcutta and Madras telephone systems were taken by the Indian Telegraph Department in 1943 and a Telecommunication Development board was set up. The Own Your Telephone (OYT) scheme was inaugurated in 1949, and began operating in 1950. These were followed by wireless telephone links and the launch of the telex service in Bombay. Later, the first Subscriber Trunk Dialing (STD) route between Kanpur and Lucknow was commissioned.

In 1980's, the first mobile telephone service and the first radio paging service were introduced in Delhi. Mahanagar Telephone Nigam Limited (MTNL) and Videsh Sanchar Nigam Limited (VSNL) set up in 1990's witnessed the introduction of voice mail service, the announcement of National Telecom Policy and the setting up of the Telecom Regulatory Services. As the new millennium dawned, the national long distance service was opened up for private participation and BSNL was set up.

Coimbatore BSNL - Present Scenario

The Coimbatore Bharat Sanchar Nigam Limited Telecom District presently consists of 122 Telephone exchanges of which 35 are demand Telephone exchanges, with 3.68 lakhs working lines of equipped capacity. Out of this 3.26 lakhs working lines are the direct exchange lines. The Coimbatore BSNL, Department has introduced Intelligent Network Service in Tirupur, Palladam, Mettupalayam, Pollachi, Coimbatore and Avinashi, which provides different types of services i.e., Prepaid calling card, Indian Telephone card, Free phone service, Premium Rate Service, Virtual Private Network, Universal number and Televoting etc. Soon Coimbatore is expected to get 13K switching capacity which will be used, in different exchanges to clear the waiting list. A new welcome call service is being introduced in SSA to communicate telephone number of a newly installed telephone.

There are 13 Customer Service Centers working in Coimbatore SSA under the category of I & II. The telecom services have been an important tool for socio-economic development for a nation. Accordingly, the Coimbatore BSNL has been formulating development policies such as “single window concept” for the accelerated growth of the telecommunication services.

Statement of the Problem

Many customers do not know what they want in a product. Customers were in a learning mode and companies forged strategies to shape their wants. It has been highly stated in the market, that in a competitive environment simply giving customers what they want isn’t enough anymore to gain an edge. Companies must also help customers, in learning what they want. Today there are many competitors in the communication field. Even though a lot of advanced technologies persist, Bharat Sanchar Nigam Limited (BSNL) is one of the cornerstone among them to cope up with high competition. Hence the researcher has taken keen interest in studying the level of customer’s satisfaction with BSNL Land Line Phone services (BFONE Service) and also to find out the remedies for the problems faced by the customers of BSNL if any through the opinion collected with the help of a structured questionnaire.
Objectives of the Study

The following are the specific objectives of the study.

1. To study the various factors responsible for availing telecom services.
2. To study the factors influencing the customers to adopt BSNL telephone services.
3. To find out the extent of customers satisfaction with BSNL B – Fone services and identify the prominent factors responsible for customer satisfaction and
4. To offer concrete suggestions for improving the services of BSNL

Scope of the Study

The scope of the study is to find out the customer’s satisfaction level and market potential with reference to BSNL, especially in Coimbatore city of Tamil Nadu. In the study, the customers' needs and wants are to be understood and steps to be taken in future to improve the satisfaction level are to be presented. If the company adopts the suggestions given by the customers as well as the recommendations given by the researchers, it can delight the customers and retain them in the long run as fully satisfied.

Methodology

The present study is undertaken to study the different types of services provided by BSNL and to identify the prominent factors responsible for customer satisfaction. Therefore, the study is descriptive and exploratory in nature. A separate Questionnaire has been framed for this study. Through the questionnaire, the customers personal profile, opinions of the customers related to reasons for availing telephone connections, factors influencing to select the BSNL services and the sources from which they get the information about the telephone services have been obtained. The analysis, interpretations, findings and suggestions are done on the basis of the surveyed data. The questionnaire for customers was prepared in such a way that they could express their opinions freely and frankly.

In Coimbatore city, keeping the telephone numbers in BSNL telephone directory as sample frame, 200 customers were selected adopting simple random sampling method. In the present study respondents where only BSNL service subscribers, because they are the direct customers of BSNL services. The collected data have been analyzed through descriptive statistics and Chi-square analysis. The study has been carried out between February 2010 to and June 2010.

Limitations of the Study

The study is confined to Coimbatore city only. This is because covering other cities in Tamil Nadu will definitely involve high cost and time. Considering cost and time, only Coimbatore city has been taken for analysis. But Coimbatore, is a city which has multi cultural people with varied levels of income. Therefore, carrying out a research covering Coimbatore city would reflect the opinions of all the sections of the people. Hence, the results of study would be reliable in nature. Barring this limitation other usual limitation of any survey study such as opinions of the respondents, depends on the environment and the like.

Results and Discussions

The survey data have been analyzed using appropriate hypotheses, so as to fulfill the stated objectives of the study. For this purpose, present sections in the profile of the respondents are presented. This is to understand the distribution of the BSNL customers in Coimbatore city.

Profile of the Sample Respondents

It is exhibited that the majority (54%) of the respondents were male, 50.5 percent of the respondents are in the age group of 20 – 30 years. With regard to qualification, the majority (55%) are a graduate / diploma holders. In the case of occupation, most (55%) of the respondents had business / profession. 40.5 per cent of the respondents are earning monthly income above Rs.15,000, majority (56%) of the respondents are married and 47 per cent of the respondents have 3 – 4 members in their family.
Years of Usage of Telephone Connection
It is revealed that 10.5% of the customers are using telephone connection for less than three years, 21% are using 3-5 years, 32.5% are using 5-7 years and the rest 36% use for more than 7 years. Thus the study indicates that majority of the customers have been using their telephone connection for more than 7 years.

Reasons to Avail Telephone Connection
Out of total customers, 20% opined that the factor ‘affordability’ made them to avail the phone connection, 23.5% opined that the factor ‘status’ made them to avail it, 39% opined that the factor ‘comparatively cheaper’ made them to avail the phone connection. The survey showed that most of the customers opined that the factor ‘comparatively cheaper than other means’ made them to avail the phone connection.

Features influenced to avail BSNL Service
It is revealed that out of total customers, 28% expressed that the important feature, ‘cheaper service charges’ influenced to avail the BSNL service, 15.5% influenced by the feature ‘Nation wide charges’, 37% influenced by the feature ‘availability of different schemes’ to avail the BSNL service. Thus, the study has shown that, most of the respondents were influenced by the quality of service of BSNL to use its services.

Value Added Service Preferred
Out of total customers, 29.5% preferred the value added service call forwards, 11.5% preferred Video conferencing, 46.5% preferred high speed internet access, and the rest 12.5 preferred voice mail features. Thus, the study shows that majority of the customers have preferred the value added service ‘high speed internet access’.

Sources of Information about the Service
Out of total number of customers, 16.5% got information about the present service provider through advertisement, 39.5 through friends / relatives, 40% through their co-workers and the rest 4% through other sources. Thus, the study shows that majority of the customers have got the information about the present service provider through their family members.

Gender of the Respondents and the Level of Satisfaction towards BSNL Service
The gender – wise classification of the sample respondents and their level of satisfaction towards BSNL services is given in Table 1. In order to find out the association between the gender of the respondents and their level of satisfaction towards the BSNL services, Chi-square test is applied.

| Gender  | Level of Satisfaction | Total |
|---------|-----------------------|-------|
|         | Very High | High | Moderate & Low |   |
| Male    | 28        | 64   | 16             | 108 |
| Female  | 22        | 25   | 45             | 92  |
| Total   | 50        | 89   | 61             | 200 |

Source: Calculated from the Primary Data
(Expected frequencies are given in the parenthesis)
Null Hypothesis: There is no association between gender and level of satisfaction of BSNL customers.

As the calculated \( \chi^2 \) value (30.736) is greater than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is rejected and it could be concluded that there is association between gender and level of satisfaction of BSNL customers.

EDUCATIONAL QUALIFICATION AND LEVEL OF SATISFACTION

The educational qualification of the respondents is given in table 2. In order to find out the association between the educational qualification of the respondents and their level of satisfaction towards the BSNL services, Chi-square test is applied and the results are presented.

Null hypothesis: There is no association between education and level of satisfaction of BSNL customers.

As the calculated \( \chi^2 \) value (17.637) is greater than the table value (9.488) at 5% level of significance for 4 degrees of freedom, the null hypothesis is rejected and there is association between education and level of satisfaction of BSNL customers.

OCCUPATION OF THE RESPONDENTS AND THE LEVEL OF SATISFACTION TOWARDS BSNL SERVICES

The occupation-wise classification of the respondents is given in table 4. As the researchers were interested to find out the association between the occupation of the respondents and their level of satisfaction towards the BSNL services, Chi-square test has been applied.
### TABLE 3
AGE GROUP AND LEVEL OF SATISFACTION

| Age Group      | LEVEL OF SATISFACTION | Total |
|----------------|-----------------------|-------|
|                | Very High  | High  | Moderate & Low |       |
| Below 20 years | 9 (6)       | 6 (11) | 10 (8)         | 25    |
| 20-30 years    | 18 (25)     | 55 (45)| 28 (31)        | 101   |
| 30-40 years    | 13 (10)     | 19 (16)| 5 (11)         | 37    |
| Above 40 years | 10 (9)      | 9 (9)  | 18 (11)        | 37    |
| TOTAL          | 50          | 89     | 61             | 200   |

Source: Calculated from the Primary Data
(Expected frequencies are given in the parenthesis)

### TABLE 4
OCCUPATION AND LEVEL OF SATISFACTION

| Occupation            | LEVEL OF SATISFACTION | Total |
|-----------------------|-----------------------|-------|
|                       | Very High  | High  | Moderate & Low |       |
| Profession / Business | 26 (27)     | 46 (49)| 38 (33)        | 110   |
| Government Employee   | 7 (10)      | 28 (18)| 5 (12)         | 40    |
| Private Employee      | 17 (13)     | 15 (22)| 18 (15)        | 50    |
| TOTAL                 | 50          | 89     | 61             | 200   |

Source: Calculated from the Primary Data
(Expected frequencies are given in the parenthesis)

**Null hypothesis:** There is no association between occupation and opinion about service charges charged among the customers.

As the calculated $c^2$ value (16.322) is greater than the table value (9.488) at 5% level of significance for 4 degrees of freedom, the null hypothesis is rejected and there is association between occupation and level of satisfaction among the customers.

**MONTHLY INCOME OF THE RESPONDENTS AND THE LEVEL OF SATISFACTION TOWARDS BSNL SERVICES**

The monthly income of the respondents is given in table 5. It is expected that there may be an association between the monthly income of the respondents and their level of satisfaction towards the BSNL services. Higher the income, it is expected that the customer would spend more on telecom services and hence get higher level of satisfaction than the lower income group, who are money saving customers. For this purpose, the collected data have been presented in the Table 5 and relevant test hypothesis as given along with the table.

**Null hypothesis:** There is no association between monthly income and level of satisfaction of BSNL customers.

As the calculated $c^2$ value (16.533) is greater than the table value (12.592) at 5% level of significance.
for 6 degrees of freedom, the null hypothesis is rejected and there is association between monthly income and level of satisfaction of BSNL customers.

**MARITAL STATUS OF THE RESPONDENTS AND THE LEVEL OF SATISFACTION TOWARDS BSNL SERVICES**

The marital status of the respondents is given in table 6. In order to find out the association between the marital status of the respondents and their level of satisfaction towards the BSNL services, Chi-square test is applied.

**Null hypothesis:** There is no association between marital status and level of satisfaction of BSNL customers.

As the calculated $c^2$ value (5.635) is less than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is accepted and there is no association between marital status and level of satisfaction of BSNL customers.

**FAMILY SIZE OF THE RESPONDENTS AND THE LEVEL OF SATISFACTION TOWARDS BSNL SERVICES**

The family size of the respondents is given in table 7. In order to find out the association between the family size of the respondents and their level of satisfaction towards the BSNL services, Chi-square test is applied.
### TABLE 7
**FAMILY SIZE AND LEVEL OF SATISFACTION**

| Family Size | LEVEL OF SATISFACTION | Total |
|-------------|-----------------------|-------|
|             | Very High | High | Moderate & Low |       |
| Upto Rs.5000| 3 (5)     | 9 (8)  | 7 (6)      | 19    |
| Below 3     | 7 (6)     | 10 (11)| 7 (7)      | 24    |
| 3 – 4       | 25 (23)   | 34 (42)| 35 (29)    | 94    |
| Above 4     | 18 (21)   | 45 (36)| 19 (25)    | 82    |
| TOTAL       | 50        | 89    | 61         | 200   |

Source: Calculated from the Primary Data
(Expected frequencies are given in the parenthesis)

**Null hypothesis:** There is no association between family size and level of satisfaction of BSNL customers.

As the calculated $c^2$ value (6.917) is less than the table value (9.488) at 5% level of significance for 4 degrees of freedom, the null hypothesis is accepted and there is no association between family size and level of satisfaction of BSNL customers.

**FINDINGS**

1. There is association between gender and level of satisfaction of BSNL customers.
2. There is association between education and level of satisfaction of BSNL customers.
3. There is association between age group and level of satisfaction of BSNL customers.
4. There is association between occupation and level of satisfaction among the customers.
5. There is association between monthly income and level of satisfaction of BSNL customers.
6. There is no association between marital status and level of satisfaction of BSNL customers and
7. There is no association between family size and level of satisfaction of BSNL customers.

**SUGGESTIONS**

1. Among the users of the BSNL services, majority of the customers are businessmen / professionals. Therefore, to attract other groups (employees) suitable strategies and offers should be made to them, such as providing the BSNL services on concessional rate to a group of employees working in an organization and so on.
2. As the analysis has proved that male customers are more satisfied than the female customers. The BSNL should take necessary steps to provide suitable services which are expected by female customers.
3. The study also found out that majority of the customers are falling under the income group of above Rs.15,000 per month. The other income groups do not use the service due to their cost consciousness. Hence, providing cheaper cost services to the economically deprived class would enhance the image of the BSNL and broaden the customer base. These measures would result in higher level of customer’s satisfaction than the present level.

**CONCLUSION**

With the other private firms to compete with BSNL can take steps to cater to the need of the low
income group by modifying the cost. Also rise to the expectation of the higher income group to be claimed as a status symbol, thus adding one more feather to the crown of BSNL.

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