

## **A Study on Brand Switcher's Attitude towards present Vodafone Customers in Erode District**

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**ABSTRACT:** *A customer's brand loyalty on the basis of brand attitudes towards a specific product depends on the product's relevant benefits provided by the company, the brand's perceived ability to provide the benefits as well as on the uniqueness of the product. Consumer decision to purchase a product brand different from that previously or usually purchased. Brand switching can be instigated by price promotions, in-store displays, superior availability, perceived improvements or innovations in competitive brands, desire for novelty, number of available brands, perceived risk, frequency of purchase, changes in quality, or level of satisfaction with the most recent purchase. This study analyzed the factors such as Price, Service Quality, brand Loyalty and trust in order to identify which one has highly influenced customers to switch the brand, and the study provides suitable suggestions to Vodafone service in order to retain the customers and to extend its market.*

**KEYWORDS:** *Promotions, Price, Services Quality, Brand Loyalty, Trust.*

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### **I. INTRODUCTION**

Brand switching is the process of choosing to switch from routine use of one product or brand to steady usage of a different but similar product. Much of the advertising process is aimed at encouraging brand switching among consumers, thus helping to grow market share for a given brand or set of brands. The idea is to generate additional revenue due to the extra sales of the products involved, or even to induce a **brand switch** when offered by the manufacturer. Stores most often use such strategies to drive traffic into the store, to eliminate too much stock, or to create additional revenues when sales are slumping.

A brand is often the most valuable asset of a Corporation. Brand owners manage their brands carefully to create shareholder value, and brand valuation is an important management technique that ascribes a money value to a brand, and allows marketing investment to be managed.

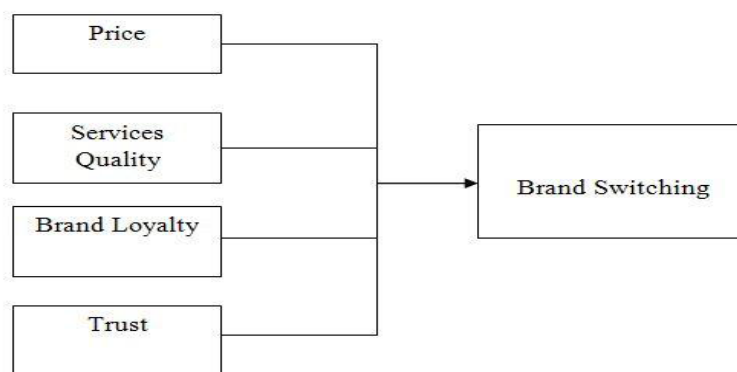
Whether the customer is committed to the brand. Philip Kotler, again, defines four patterns of Behaviour:

1. Hard-core Loyals - who buy the brand all the time.
2. Split Loyals - loyal to two or three brands.
3. Shifting Loyals - moving from one brand to another.
4. Switchers - with no loyalty (possibly 'deal-prone', constantly looking for bargains or 'vanity prone', looking for something different).

Convincing consumers to switch brands is sometimes a difficult task. It is not unusual for customers to build up a great deal of brand loyalty due to such factors as quality, price, and availability. To encourage switching brands, advertisers will often target these three areas as part of the strategy of encouraging brand switching.

### **II. LITERATURE REVIEW**

Kumar and Charles (2011) identified that Brand switching is the process in which consumer switches from the usage of one product to another product but of same category. In our daily life consumers switch from one brand to another brand although are highly satisfied from it. Mobile Phone has been an important tool helping people to communicate as in talking, messaging and also being used in listening radio, watching video clips, capturing photos and videos so it's a personal device used for entertainment as well. There are many factors behind brand loyalty; such as; price, quality, quantity and of course availability, and it's not always easy to switch brands. To make consumers think about switching a brand, involves advertising by Competitor Company and they apply almost all techniques to make consumers believe that they will get extra benefits if they switch brand; the useful method is to compare the prices and this easily hits consumers with tight budgets. But definitely it's not always price, quality does matter.



### Brand Loyalty

Jacoby (1971) suggests that Brand loyalty is the purchase response of an individual or consumer for one or more alternative brands over a time period deciding from a set of alternative Brands.

### Brand Loyalty

Aaker (1991) and Reichheld (1996) suggest that brand loyalty is become very much important factor for marketers and consumer researchers. Study suggests that an organization which is having so many loyal customers will lead them to greater share and high profit (Buzzell *et al.*, 1975), (Raj, 1985), and (Jensen and Hansen, 2006). Dick and Basu (1994) suggest that brand loyal customers will engage in positive word of mouth for company and even do not accept the marketing strategies of competitors.

### Price

According to Kotler and Armstrong (2010) price is one the important factor which plays a vital role in brand switching, price is that amount which consumer pays for any product or service, while purchasing or using of that product or service. If service providers charge price sensible and give the better services than it will create customer satisfaction and very less consumer will switch to another brand, because price fairness is an extremely significant concern that leads toward satisfaction (Martin *et al.*, 2007). That's mean price has a positive impact on brand switching. If service provider charge high price than more consumers will switch to another brand (Herrmann *et al.*, 2007).

### Service Quality

Service quality is defined as approach which can be known as the services received by customers as compared to expectations regarding it (Parasuraman *et al.*, 1988). As Guatam and Chandhok (2011) suggest that Customers expectations and perceived performance having the direct relationship for the better experience of the perceived service quality. Service quality can measured through following factors:

- 1) Responsiveness
- 2) Assurance
- 3) Customer Perceived Network Quality
- 4) Value Added Services

### Trust

Trust is considered as important factor to build the relationships among the customers and the organization. It is trust which makes customer closer to the organization (Morgan and Hunt, 1994). Trust is build when organization promises to provide the quality service to customers and it is successful to provide them that service quality then the trust is build (Nawaz and Usman, 2011).

## III. OBJECTIVES OF THE STUDY

### Primary objective

- 1) To Study the brand switching attitude of present Vodafone customers in Erode district.

### Secondary objective

- 2) To Study the various factors motivating for switch over from one mobile service to Vodafone.
- 3) To know about the various services provided by the Vodafone.
- 4) To find out the various reasons for switching over towards Vodafone.
- 5) To provide valuable suggestion to the service provider.

**Methodology of the Study**

The Survey research was used in this Study, Convenience sampling technique was employed in selecting the sample. For the purpose of the study a sample of 150 respondents were surveyed with the help of structured questionnaire both open-ended and close-ended questions was used. The statistical tool used for the data analysis in the study is Simple Percentage, Chi-square Analysis and Weighted Average method. The research was done from January to March 2013.

**Limitations of the study**

- 1) Observations of a particular case cannot be universally applied to all instances.
- 2) The survey sample is only from industrial area of Erode.
- 3) Unwillingness of the respondent to provide information properly.
- 4) For the sake of convenience the sample size was limited to 150.
- 5) The Parameters taken in the questionnaire might be insufficient to represent all the issues.
- 6) Time period is very short.

**IV. ANALYSIS AND INTERPRETATION OF DATA**

The results of the analysis of the collected data are presented below:

**Percentage Analysis**

**1) Gender of the Respondents**

Gender	No. of Respondents	Percentage
Male	105	70
Female	45	30
Total	<b>150</b>	<b>100</b>

**Inference:**

It is noted from the above table inferred that majority 70% of respondents are male and 30% of the respondents are female. It is concluded that maximum number of respondents are male(70%).

**Chi-square Analysis**

**1) Age Vs. Factor influencing Brand Switching**  
**1) Age Vs. Factor influencing Brand Switching**

Age	FACTORS INFLUENCING BRAND SWITCHING				Total
	Price	Services Quality	Brand Loyalty	Trust	
Below 25 years	8	19	14	1	42
26 - 35 years	9	6	1	0	16
36 - 45 years	15	28	11	4	58
46 years and above	15	11	5	3	34
Total	<b>47</b>	<b>64</b>	<b>31</b>	<b>8</b>	<b>150</b>

<b>(H<sub>0</sub>) :</b>	There is no significant relationship between Age and Brand Switching Factors
<b>(H<sub>1</sub>) :</b>	There is significant relationship between Age and Brand Switching Factors

Calculated $\chi^2$ Value	=	17.079
Table Value	=	16.919
Significant level	=	Significant at 5% Level
Remarks	=	Significant

**Inference:**

A comparison of the calculated value with that of the table value indicates that the calculated value is higher than the table value and it's significant at 5% level. So the null hypothesis is rejected. Hence, there exists a close significant relationship between Age and Brand switching factors.

**Weighted Average method**

**I) Ranking among - Factors influencing to switching the brand**

S.No	Factors	Weighted Avg	Rank
1	Price	820	<b>2</b>
2	Services Quality	910	<b>1</b>
3	Brand Loyalty	779	<b>3</b>
4	Trust	654	<b>4</b>

**Inference:**

From the above table, it can be inferred that majority of the respondents have ranked the Service quality as a first factor to switch the brand.

**Findings**

- ✚ It is clear from the analysis that majority 64% of the respondents are switching the brand due to Services quality of the mobile network.
- ✚ It is found from the analysis that majority 47% of the respondents are switching the brand due to Price of the mobile network.
- ✚ It is noted from the analysis that majority 31% of the respondents are switching the brand due to brand loyalty of the mobile network.
- ✚ The respondents have ranked Service Quality (weighted Average score = 910) as First in respect to switch the brand.
- ✚ The respondents have ranked Trust (weighted Average score = 654) as Fourth in respect to Switch the brand.
- ✚ It is observed from the analysis, there exists close significant (Chi square value = 17.079) exists a close significant relationship between Age and Brand switching factors.
- ✚ It is inferred from the analysis, there exists close significant (Chi square value = 19.068) relationship between service provider to activate sim and the amount spent per month.

**Suggestions**

- 1) The Maximum switch over are from Airtel and Vodafone shall Identify the reason and take at most care to retain them in Vodafone service and to extend its market.
- 2) Service provider should be provided with enough facilities in such a way that the sim cards are activated on the same day.
- 3) New Promotional Schemes should be added to the existing ones to attract the new customers and retain the existing users.
- 4) Vodafone may offer attractive postpaid schemes for enrolling their Prepaid Subscribers into Postpaid plan.
- 5) Significant details of the promotional activities should be given to service providers, since word of mouth communication is the best mean to reach the existing customers.

**V. CONCLUSION**

This study was conducted to know the different factors which influence customers to switch brand in the network. The data was analyzed and hypothesis has been developed on the basis of the ground theories. The survey has been conducted to know the effect of the different independent variables such as brand loyalty, price, trust and the Services quality on the dependent variable such as brand switching and hypothesis has been tested. The results suggest if there is high Services quality then brand switching will be less. So the cellular service providers have to understand the needs, wants and the expectations of the customers and then formulate appropriate strategies to focus.

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