

Service Quality, Brand Promotion and Marketing Strategy of Vodafone before Amalgamation with Idea Cellular Limited

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Abstract: *The approval of command for telecom services in India is not limited to basic telephone services. Brisk growth in the telecom sector can be accredited to the various pro-active and positive guiding principles taken by the Government as well as the vital of an entrepreneurial spirit of various telecom services provide both in private and public sector. This segment has shown immense growth during the past decade. In this viewpoint, the present study focuses on the service quality, brand promotion, and marketing strategy of Vodafone before incorporating with Idea Cellular limited. This study was mainly focused on the Vodafone customers in Kerala around 40 respondents. Major findings of this were that many customers feel that they have chosen Vodafone because it has widest network coverage and it also provides good schemes and good advertisement. Customers also prefer both zoo zoos and pug as Vodafone mascot.*

Index Terms: Pug, service quality, Telecommunication, Vodafone, Zoozoos.

I. INTRODUCTION

Vodafone Essar was instigated in India on 21st September 2007. Vodafone was accepted in India with the “Hutch is now Vodafone” campaign. Vodafone India is the Indian subsidiary of UK-based Vodafone Group public limited company, the world’s second largest mobile phone company and is a provider of telecommunication service in India with its head office in Mumbai. On March 2017, Vodafone and Idea Cellular signed a deal that the company will merge in an all stock deal, creating a single entity which will be India’s largest telecommunication company^[1]. As of March 2018, Vodafone India has a market share of 21% with roughly around 223 million subscribers and are the second largest mobile telecommunications networking nationally.

After the purchase of Hutch by Vodafone, it upgraded itself with the slogan “Change is good...” Hutch is now Vodafone” to “make the most of now”. Modification in the brand name from Hutch to Vodafone was exhibited nationally and internationally through a high contour of promotion covering all important media. Vodafone became an official collaborator and provided support for various popular public events like 20-20 etc which enable them to prove the existence to be felt in the market. For the promotion of value

added services, Vodafone introduced the advertisement character named Zoo Zoos and Pug which became an obsession in the market unexpectedly. Zoo Zoos were low-cost advertisements, which are not cartoons but in reality acted by real people. Zoo zoo created a sensation in social networking sites too and did a lot in mass viral marketing. This was a touching advertisement which touches the heart and makes us fall down laughing; it was arare perception that was completely different if we balance with European and US adverts.

Physical Evidence is the element of the service mix which allows the consumers to make know-how of the organization. It is an essential ingredient of the service mix which will make the consumer perceptions based on their sight of the service provider which will have an impact. For example, the customer service centers offer a physical place for the face to face interaction of the customer and the employees and it is this Physical Evidence which the customers perceive. The service provider must be able to manage the constituents of physical evidence As far as the physical evidence of Vodafone is concerned; it is the sim cards which are issued to every customer. Apart from that recharge voucher, stores, services outlets, digital TV services, etc all are the part of the physical evidence of the brand^[2].

II. SIGNIFICANCE OF THE STUDY

This study would be significant in the brand promotion and marketing strategy of Vodafone and also find out the service quality of Vodafone in terms of price, VAS, networks etc. In this study, we also find how Vodafone has become a successful brand promoter to various public events and also how Vodafone’s marketing strategy during the emergence of Zoo zoos before amalgamating with Idea Cellular Limited.

III. OBJECTIVES OF THE STUDY

1. To examine the customer satisfaction of choosing Vodafone in terms of service quality
2. To evaluate the brand promotion and marketing strategy of Vodafone after the emergence of Zoo zoo.

IV. RESEARCH METHODOLOGY

To accomplish the objectives, the study was conducted by using both primary and secondary data. Primary data consists of a well-structured and guided questionnaire. The type of sampling chosen for this study is purposive sampling with sample

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size was restricted to 40 respondents of various age groups and primary focus was on Vodafone customers in Kerala. In this paper, the data analysis was done on the basis of correlation and cross-tabulation and frequency by using statistical package SPSS. The correlation consists of a set of twelve questions consisting of service quality and service recovery and a set of eight questions based on price fair and brand image. Cross-tabulation is done on the basis of areas to be improved on service delivery with the age of respondents and on the basis of Vodafone ads with respect to the age of respondents. Secondary data consist of journals, magazine, annual reports, etc.

V. LITERATURE REVIEW

1. **SoodShart (2015)** in his paper suggested that the cellular service companies and managers perceive more innovative practices and gather more information from customers to increase service quality for the better improvement of customer satisfaction^[3].
2. **The Economic Times (2015)** has reviewed that mobile networks are at powerful speed with the benefit of the fastest 3G network with hard functional claims basis an analysis of Ookla Speed test. It was also found that the company was adjudged to allow 22% faster download and 43% faster upload experience with its 3G data network as compared to next best operator^[4]
3. **Zohaib Ahmad and Junaid Ahmad (2014)** in their research paper have noticed that dominant factor like price quality and social factors reflect the buying behavior of the people. It is also revealed that the social factor is most and powerful dominant factor which determines purchasing power and also the social status of the people^[5]
4. **SoodShart (2013)** in his research article realized that there is a need for separate attention in rural and urban areas and also it is revealed that age is the most dominating factor for the purposes of designing the services. The researcher also says that the company should focus on these factors for the attention of customers^[6]
5. **Vipin Bansal and Bindu Bansal (2013)** in their paper have learned that most of the respondents were approved with their current service provider but there are some of the respondents who are willing to change their service provider because of call rates network coverage lack of customer care services etc^[7].
6. **Chintan Shah (2012)** in his study discovered that the preference of choosing a mobile service provider depends upon the factors like service quality, brand image, service charges, and plan and network quality^[8]
7. **Seth et al (2008)** in their paper analyzed that there is the relative importance of service quality and also showed that responsiveness is the most important dimension followed by reliability assurance empathy and tangibles the research resulted in the development of a reliable and valid instrument for assessing customer perceived service quality for cellular mobile service^[9].
8. **Fernandez (2007)** in their study observed that value added services area rising star in this fast-growing wireless business. In their paper, the attempt was to make to understand the strategic dynamics of the evolving environment within which Indian player are operating the challenges and structure of the same. Their

literature and industry reviews stated that the value chain is complicated yet one can observe the bipolar nature of bargaining power between mobile network operators and content aggregators^[10].

9. **Kalpna and Chinnamaduuri (2006)** in their research paper stated that there has been an increase in changing preferences of all customers which forces mobile operators to change their targeting strategies. It is also found that advertisement plays a huge role in influencing customers. It is also revealed that many customers feel that the promotional strategies of cellular companies must be customer oriented rather than sales oriented^[11].
10. **Zboja, James. J, Voorhees, Clay M (2006)** in their paper observed that there can be halo effects between customer's perceptions towards brands and retailer's satisfaction. They have also found that in order for the customers to return, a retailer must satisfy his customers and also earn their trust since there will be a direct impact on customers return on retailer's satisfaction^[12].

VI. DATA ANALYSIS AND INTERPRETATION

Table I Correlation between Service Quality and Service Recovery

		servquali ty	servtotal
servquality	Pearson Correlation	1	.697**
	Sig. (2-tailed)		.000
	N	40	40
servtotal	Pearson Correlation	.697**	1
	Sig. (2-tailed)	.000	
	N	40	40

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

Source: Survey Data

From the above Table I, the Pearson Correlation is (.697**) with 0.01 level of significance. This indicates that there is a high positive correlation between service quality and service recovery.

From Table II, the total number of respondents is 40 and Pearson Correlation is (.345*) at 0.05 level of significance. This indicates that there is a very low positive correlation relationship between Price Fair and Brand Image.

From Table III, out of the 40 respondents, 85% of them say they do not need any celebrity or sports personality to endorse in Vodafone ads while remaining 15% says yes they want a sports personality or celebrity to endorse in Vodafone ads.

From the above Table IV, 50% of the respondents fall under age group of 21-30 who thinks that network coverage needs to be improved followed by age group 31-40



that is 50% and in the age group of 41-50 and above 51 does not need any improvement on network coverage.

Table II Correlations between price fair and brand image

		pricefair	brandtotal
pricefair	Pearson Correlation	1	.345*
	Sig. (2-tailed)		.029
	N	40	40
brand total	Pearson Correlation	.345*	1
	Sig. (2-tailed)	.029	
	N	40	40

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Survey Data

Table III Do you want any sports personality or celebrity to endorse in Vodafone ads?

	Frequency	Percent	Cumulative Percent
yes	6	15.0	15.0
no	34	85.0	100.0
Total	40	100.0	

Source: Survey Data

In terms product innovation around 71.4% fall under the age group of 21-30 followed by 14.3% under the age groups of 31-40 and above 51 years. Age group 41-50 does not need any improvement in product innovation.

In terms quality of service, around 100% of respondents fall under the age group 21-30 years. They say that the quality of service must be improved, but rest of the age groups doesn't need any improvement on quality of service.

From Table IV,,it is clearly seen that age group 21-30 needs improvement in run-sale promotion i.e. 80% followed by the age group 31-40 constitutes 10% and the remaining 10% constitutes the age group above 51years. In terms of competitive pricing, around 76.9% respondent fall under the age group of 21-30 years, age groups 31-40 41-50 and above 51 years constitutes 7.7% for competitive pricing.

From Table V, it is clear that age group 21-30 years are attracted towards network ads which constitute around 71.4% followed by the age group 31-40 years consists of 19%, above 51 years are least attracted towards network ads which consist of only 9.5%.

As per discount scheme ads are concerned 75% of respondents [age group 21-30] are attracted which is followed by 8.3% with the age groups 31-40,41-50 and above 51 years.

With the age group of 21-30 years, 85.7% are attracted towards value added services which are followed by the age group 31-40 years consisting only 14.3%.

VII. FINDINGS AND SUGGESTIONS

FINDINGS

- Majority of the respondents are of the age group 21-30 years.
- Most of the respondents are of students.
- Many respondents are attracted to networks ads and value added services.
- Many of the respondents say that they miss the pug as Vodafone mascot but the also prefer Vodafone mascot Zoo zoos.
- Most of the respondents are using prepaid services [78%].
- Most of the respondents found that network coverage of Vodafone is doing better than other services.
- Most of the respondents are neutral towards the service experience with Vodafone
- Around 78% of respondents are satisfied with Vodafone.
- Most of the respondents chose Vodafone because of widest network coverage [82.9%] which is followed by quality of service [56.1].

SUGGESTIONS

- Most of the respondents feel that the price for recharge must be reduced as it is a competitive.
- Respondents suggest that they should improve in product innovation providing good schemes and VAS
- Respondents also suggest that Vodafone must improve on interrupted connection problem like range problems, call cut, etc.
- Respondents also suggest that apart from Zoo zoo they should add pug or any other character as Vodafone mascot.
- Respondents also suggest that Vodafone should provide more loans on data packs or provide free data.

VIII. CONCLUSIONS

This study was undertaken to examine the service quality, brand promotion, and marketing strategies of Vodafone before amalgamating with Idea Cellular Limited. In this study, the numbers of participants were 40 and the type of questionnaire used was structured mailed questionnaire. In this research paper, the main data used are primary and secondary data. It is concluded from the study that the majority of customers are students and they are aware of Vodafone's mascot Zoo Zoo's. The main limitations of this study were time limit, the sample size was small and trustworthiness of the customer 's. In this age of ever-increasingcompetition, it is important for Vodafone to keep an eye on the preferences of the customers in order to capture the largely untapped market. The outcome of this research paper shows a vivacious relationship among several dimension of service quality, price, network, and promotion to have a handful idea on service quality, brand promotion, and marketing strategies of Vodafone. In the near future, we can also see a huge merger between Vodafone and Idea which will become India's second largest telecommunication service provider. The future scope of this paper will be based on the merging of two service providers and also to find out

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how much it has impacted the customers of these two cellular service providers.

Table IV Cross tabulation: areas to be improved in service delivery

Respondents Age		Areas to be improved in service delivery					Total
		Network Coverage	Product Innovation	Quality of service	Run-sale Promotion	Competitive Pricing	
21-30	Count	3	5	4	8	10	30
	Expected Count	4.5	5.3	3.0	7.5	9.8	30.0
	% within age of the respondents	10.0%	16.7%	13.3%	26.7%	33.3%	100.0%
	% within areas to be improved in service delivery	50.0%	71.4%	100.0%	80.0%	76.9%	75.0%
	% of Total	7.5%	12.5%	10.0%	20.0%	25.0%	75.0%
31-40	Count	3	1	0	1	1	6
	Expected Count	.9	1.1	.6	1.5	2.0	6.0
	% within age of the respondents	50.0%	16.7%	0.0%	16.7%	16.7%	100.0%
	% within areas to be improved in service delivery	50.0%	14.3%	0.0%	10.0%	7.7%	15.0%
	% of Total	7.5%	2.5%	0.0%	2.5%	2.5%	15.0%
41-50	Count	0	0	0	0	1	1
	Expected Count	.2	.2	.1	.3	.3	1.0
	% within age of the respondents	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
	% within areas to be improved in service delivery	0.0%	0.0%	0.0%	0.0%	7.7%	2.5%
	% of Total	0.0%	0.0%	0.0%	0.0%	2.5%	2.5%
above 51	Count	0	1	0	1	1	3
	Expected Count	.5	.5	.3	.8	1.0	3.0
	% within age of the respondents	0.0%	33.3%	0.0%	33.3%	33.3%	100.0%
	% within areas to be improved in service delivery	0.0%	14.3%	0.0%	10.0%	7.7%	7.5%
	% of Total	0.0%	2.5%	0.0%	2.5%	2.5%	7.5%

Source: Survey Data



Table V Cross-tabulation attraction of Vodafone ads with age of the respondents

Respondents age		What type of Vodafone ads attracts you the most			Total
		good network ads	discount scheme ads	value added services	
21-30	Count	15	9	6	30
	Expected Count	15.8	9.0	5.3	30.0
	% within age of the respondents	50.0%	30.0%	20.0%	100.0%
	% within what type of Vodafone ads attracts you the most	71.4%	75.0%	85.7%	75.0%
	% of Total	37.5%	22.5%	15.0%	75.0%
31-40	Count	4	1	1	6
	Expected Count	3.2	1.8	1.1	6.0
	% within age of the respondents	66.7%	16.7%	16.7%	100.0%
	% within what type of Vodafone ads attracts you the most	19.0%	8.3%	14.3%	15.0%
	% of Total	10.0%	2.5%	2.5%	15.0%
41-50	Count	0	1	0	1
	Expected Count	.5	.3	.2	1.0
	% within age of the respondents	0.0%	100.0%	0.0%	100.0%
	% within what type of Vodafone ads attracts you the most	0.0%	8.3%	0.0%	2.5%
	% of Total	0.0%	2.5%	0.0%	2.5%
above 51	Count	2	1	0	3
	Expected Count	1.6	.9	.5	3.0
	% within age of the respondents	66.7%	33.3%	0.0%	100.0%
	% within what type of Vodafone ads attracts you the most	9.5%	8.3%	0.0%	7.5%
	% of Total	5.0%	2.5%	0.0%	7.5%

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