

Mobile phone operators are advised to take more care of their customers

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Results showed 8.5 percent of participants regret choosing their current operator and approximately 18 percent considered themselves to be neither happy nor unhappy with their choice. Credit: Tom Godber

Competition between mobile telephone companies like Telephone Systems International, Vodafone, or T-Mobile unleashes an offers war between operators to capture new customers. A study at the University of Valencia (UV) shows that although the majority of existing customers remain loyal, operators should pay them more attention so that they do not feel discriminated, thus making them move to another company.

Isabel Sánchez García, co-author of the study and researcher at UV's Department of Marketing and Market Research states that "after the appearance of new operators and market saturation, our study aims to



demonstrate the importance of understanding the factors that drive the customer to leave the company that they have chosen and go to another operator."

Published in the *Spanish Journal of Research in Marketing*, the study was performed using a random survey presented to 400 mobile telephone users in 8 of Spain's provinces. Results showed that 8.5% of participants regret choosing their current operator and approximately 18% considered themselves to be neither happy nor unhappy with their choice.

"This last response is not good for the company because the user does not view their decision clearly and may want to change shortly," the researcher points out. The remaining 73.5% do not regret their decision, but of these, 20% believe that their choice was just somewhat 'the right one'.

Once they have made up their mind to go with a certain company, customers could regret their decision even if they are satisfied with their choice if they think they could have got better conditions with another provider. The author outlines that "regret takes the form of guilt for having made a bad decision."

Feelings of regret are more dependent on the way customers are treated

For the customers who took part in the study, the main reason for feeling regret towards their current company is them not feeling valued. To a lesser extent, this makes "alternative providers seem more attractive". In other words, feelings of regret depend more on the way the customer is treated by their operator than the belief that they could have achieved better results by going with another company.



Sánchez García concludes that "proper management of the perceived value and corporate image of these companies would help to decrease post-purchase <u>regret</u> and lower the chances of customers being interested in leaving. Companies should attempt to reduce both these factors because they often neglect existing customers and only focus on capturing new ones with exclusive conditions. This unfair treatment causes existing customers to leave."

Users between the age of 18 and 65 from A Coruña, Alicante, Bilbao, Madrid, Seville, Valencia, Valladolid and Zaragoza were surveyed as part of the study. Nearly half of the 400 participants interviewed had been with their provider for more than four years, 27% for between 3 and 4 years and 28% for less than two years.

Spanish mobile telephone companies have penetrated a market that has 114.6 lines per 100 inhabitants (59.9 million lines), according to information provided by Spain's Telecommunications Market Commission (CMT, 2009). The author guarantees that this "high consumption allowed us to obtain our sample and generalise the results."

More information: Enrique Bigné, Isabel Sánchez García, Rafael Currás Pérez. "Antecedentes y consecuencias del arrepentimiento postcompra: una aplicación a servicios de telefonía móvil". Revista española de investigación de marketing 15 (1): 7 - 34, 2011.

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