



INTERNATIONAL JOURNAL OF TRENDS IN EMERGING RESEARCH AND DEVELOPMENT

INTERNATIONAL JOURNAL OF TRENDS IN EMERGING RESEARCH AND DEVELOPMENT

Volume 3; Issue 6; 2025; Page No. 207-214

Received: 16-08-2025
Accepted: 22-10-2025
Published: 27-11-2025

A Comprehensive Study of Consumer Satisfaction: Theoretical Perspectives and Influencing Factors in Telecom Sector

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DOI: <https://doi.org/10.5281/zenodo.19593655>

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Abstract

Telecommunications as a sector of the economy is now an important part of the economic growth and digital connectivity, particularly in India where rapid changes in technology and high competition have transformed the sector. Customer satisfaction in this environment is a major contributor of customer retention, customer loyalty and business success in the long term. This paper gives an in-depth examination of consumer satisfaction within the telecom sector through the lens of the major theoretical frameworks of Expectation-Confirmation Theory (ECT), SERVQUAL, Technology Acceptance Model (TAM), Kano Model and Customer Loyalty Theory, which describe the role of expectation, perceived quality of service, and use of technology in shaping the perception of the customer. The study also brings out key drivers of satisfaction which include quality of service, pricing policies, reliability of the network, technological advancement, and emotional significance. As consumers become more consumer aware and the switching costs are low, telecom providers have to be customer-centric, enhance customer service delivery and come with competitive pricing as customer expectations change. The paper concludes that customer satisfaction is a multi-dimensional construct that is dependent on service delivery as well as perceived value and that continuous quality and innovation is the key to customer loyalty and continued growth in the fiercely competitive telecommunications industry.

Keywords: Customer Satisfaction, Telecom Sector, Service Delivery, Customer Loyalty, etc.

Introduction

Telecommunications industry has become an inevitable aspect of the contemporary world, and it has allowed the flawless communication and information availability worldwide. Technological change, liberalization policies, and the rising consumer demand have been driving the industry to change significantly over the past few decades. The telecom industry is one of the biggest and the fastest growing markets in the world, and plays a significant role in the economic development and digital inclusion in India.

As a result of the growth of mobile services, internet presence and digital platforms, there have been changes in the expectations of customers. Modern consumers are more educated, tech-savvy and demanding and demand high quality services like continuous connectivity, high-speed data, responsive customer care, and value-added services.

Within this very competitive scenario, telecom service providers have no other option but to keep on improving customer satisfaction to keep their customers and to attract new customers.

Customer satisfaction is an established important variable affecting customer loyalty and organizational performance. It is established on the level to which a service is satisfying customer expectations or even surpassing them. Satisfaction levels in the telecom industry are determined by a number of factors including, network reliability, service quality, pricing policies, technological advancement and customer relationship management. Dissatisfied customers can move to other service providers with relative ease due to the low switching costs; hence satisfaction is an important competitive advantage.

The Expectation-Confirmation Theory, SERVQUAL

Model, and Technology Acceptance Model, represent the theoretical frameworks that can help to gain a better understanding of customer behavior and customer satisfaction levels. These models emphasize the perceived quality of the services, convenience of using technology, and the congruence of expectations and the actual performance of the services. Also, such concepts as emotional value, promotional benefits, and innovation also play a role in the development of customer perceptions.

This paper discusses the different theoretical and practical aspects of customer satisfaction within the telecom industry. It aims to determine the most important aspects which affect consumer perceptions and how telecom companies can better their services to increase customer satisfaction and loyalty. The research provides a complete view of consumer satisfaction in relation to shifting telecommunications environment basing on theoretical frameworks as well as the dynamics of the industry.

Introduction to Telecom Sector in India

The telecom business plays a crucial role in our everyday lives since it facilitates the transmission of information. Not only that, but the telecom sector has emerged as a key player in the global economic recovery, which is happening at a snail's pace. For the simple reason that progress in this sector may spur innovation across the board in terms of technology. To determine where we can make improvements to the service, we must first understand what the technology is capable of and then assess the current state of the industry's service quality. This thesis will therefore center on the industry's focus on service quality. In order to assess the present state of service quality and the relative relevance of each component, we will first identify the elements that make up industrial service quality. In the end, we'll utilize a fish-bone diagram to determine how to enhance these parts.

An important metric for evaluation and assessment in the telecommunications business, which is seeing fast expansion and intense competition in both developed and developing nations, is the quality of service. No firm can make it in today's cutthroat business environment without happy and loyal customers. Likewise, satisfying customer requirements is essential for every business that wants to see substantial revenue growth. Building a strong and enduring connection with customers requires mutual effort. A telecom company may better meet the demands of its present consumers, keep them as customers, and bring in new customers by improving the quality of its service. The proliferation of product information accessible at any time via mobile devices, together with online reviews, groups, and ratings, has made modern customers more knowledgeable than ever before. Similar to how social media helps businesses learn about their customers' wants, requirements, and opinions, it also sheds light on their clientele's demographics and where they stand in the market. A vast quantity of free-form text, which is unstructured data, is produced by social media. With the use of sentiment analysis and natural language processing, businesses may learn more about their customers' thoughts and feelings, which in turn helps them better meet their demands. Previous research has not, as far as we are aware, assessed consumer happiness with telecom services by polling

Google Maps or Google Play consumers. To fill this need, this research will strive to accomplish the following goals:

1. Examination of first quarter 2022 client satisfaction with Saudi Arabian telecom services.
2. Establishing what aspects of telecom services impact consumer attitude. The paper's outline is as follows.

The world's telecom areas are advancing. There was a tremendous expansion in the telecom industry. Since its inception in the 1990s, the telecommunications industry has grown into a formidable player in the global economy, capable of contributing to the technical, financial, and productive advancements of industrialized nations. The mobile telecommunications business has expanded tremendously over the last two decades as a result of technology advancements, whereas the fixed telecoms sector has seen relatively stable growth. Since the telecommunications industry offers the primary and necessary support services for the fast socio-economic expansion and modernization of other parts of the economy, it is no surprise that demand for its services has skyrocketed in recent years, from both individuals and businesses. At the same time that consumers' tastes are changing at a rate nearly proportional to the rate at which technology is advancing, the telecommunications industry is experiencing a technological quantum leap accompanied by a burgeoning market, which attracts both skilled and aggressive players. The telecommunications business is a major player in the services sector, making service quality a top priority. As a result, the telecom sector has the right idea of what exceptional service looks like.

To make sure customers are happy with their mobile service and receive their money's worth, mobile telecommunications must provide high-quality service that doesn't interrupt their conversations. When consumers are happy with the service or product they purchased and used, we say that they are satisfied customers. The client is said to be content when their perception of the performance meets their expectations, and unsatisfied when it falls short of their expectations. When formulating plans to hold on to customers, mobile service providers would do well to keep clients happy and loyal. Customers nowadays care more about having satisfactory, high-quality telecommunications services. The telecommunication services are expected to meet a variety of their expectations. Differentiating one telecom company from another is becoming more and more dependent on service quality. There is a lot of competition in the mobile services industry due to the prevalence of similar-looking services offered by different companies at different prices. The companies with the highest quality services will eventually dominate the market. A mobile service provider's bottom line depends on its ability to provide high-quality goods and services to its customers. This helps with customer retention, acquisition, price competition, and product or service recreating costs.

Businesses in India's telecom sector are facing increasingly fierce competition, making it difficult for established names to maintain a foothold in the market. At the moment, India's communication industry is considered both the biggest and most promising in the world. One of the most important factors in the Indian telecom industry's meteoric rise to prominence is the sheer volume of its 1.19 billion paying

customers. There have been tremendous shifts and expansions in the telecom industry in India over the last decade, and this sector has also been instrumental in the expansion of India's gross domestic product (GDP). Aside from this, another important component that is ensuring the long-term development and sustainability of India's telecom business is the high demand from consumers. Service providers who can provide fast internet and reliable connection at affordable pricing are now the ones that industrial clients are eyeing. While consumer demand certainly plays a role, one might argue that the liberal and reformist rules and regulations enacted by the Indian government have also been crucial in ensuring the uninterrupted functioning of the telecom sector throughout the years.

Communications service providers, or telecommunications service providers, are often in charge of running a telecommunications system. These companies have expanded their offerings beyond telephone and associated services to include internet, wide area network (WAN), metropolitan area network (MAN), and worldwide services. The telecom sector is pouring a lot of money into research and development of new technologies. New value-added goods and services are propelling consumer spending, which is fueling the rapid growth rate. Very few businesses have yet to seize the chance to strengthen their connection with customers via marketing research. Key components of marketing plan's now include customer-driven activities to recruit, maintain, and create personal long-term relationships with lucrative consumers, as well as innovation and delivery of quality service. Achieving ongoing client patronage and profitability for the organization may be achieved via Relationship Management with the three focus areas of client Perceived Value, Customer Satisfaction, and Customer Loyalty. One useful tool for this purpose is customer relationship management software.

With more users than any other telecom provider in the globe, India's telecom business is in second place. Cheap tariffs, widespread accessibility, the rollout of facilities and services like Mobile Number Portability (MNP), 3G, and 4G, changing subscriber consumption patterns, and a supportive regulatory environment have all contributed to the sector's outstanding growth and exponential development in recent years. The number of subscribers increased dramatically in 2016–17, and this upward trend has persisted. At the of the fiscal year, there were 1,174,558,000 customers, with 1,170,000,880,000 of them being wireless users. Over these years, there was an increase of 136.55 million wireless subscribers, and the overall tele-density went up from 83.36 to 92.98. Urban tele-density rose from 154.01 to 171.80 over the year, while rural tele-density rose from 51.37 to 56.91. In 2016–17, 63.63 million customers took use of the Mobile Number Portability (MNP) function by moving their numbers to other service providers. From March 2016's 209.13 million to March 2017's 272.76 million, these requests have increased significantly. On 31st March 2017, the country's internet user base was 422.19 million, up from 342.65 million on 31st March 2016. However, from 149.75 million in March 2016 to 276.52 million in March 2017, the overall number of broadband customers in the nation increased.

One of the crucial challenges for each participant in the telecom industry's tri-game model is pricing strategy. Carriers' pricing strategies play a significant role in the telecom chain as they serve as a focal point for both customers and service providers. An analysis of the player relations led to the provision of a dynamic relation model between carriers and service providers, which in turn led to the resolution of this tri-game dilemma. In addition, the isoclinic lines approach was used to assess the solution's stability. Additionally, three service provider answers were examined with accompanying remarks, supposing that the game model was disrupted due to the unexpected pricing modification by the carrier. In the end, the investigation concluded via quantitative analysis that service providers must strive to improve the quality of their content continuously in order to maintain sustainable growth in markets that are unpredictable.

The telecom business in India is expanding at a faster rate than any other country, and the country ranks second in the world for wireless connections, behind only China. Rapid economic development in India is largely attributable to the country's thriving telecom sector. With 670.60 million subscribers as of August 2010, India has a robust mobile subscriber base. With an anticipated base of 1.159 billion mobile customers by 2013, India is expected to surpass China in terms of subscriber number. Following privatization in the 1990s, private companies were able to join the Indian telecom market, sparking a revolution. After 1995, the telecom regulatory authority of India (TRAI) was established to handle regulatory issues and the growing competition in the industry. Support for investment from outside was strong. The groundwork was laid for India's communications revolution by all of this. With 15 million new connections added every month, India's telecom industry is thriving and has plenty of room to expand because to the country's sizable untapped market.

There is still a considerable distance to go in India, where the tele density is 49.50. Among the world's most massive and rapidly expanding industries, India's telecom market is a shining example. Telecom in India has a lot of room to expand since so many people there don't have access to wireless internet. Many large corporations have entered the telecommunications market in an effort to reach these underserved demographics. In order to stay ahead of the fierce competition in the telecom industry, corporations have been working with their advertising agencies to develop fresh and creative ways to reach their target audience. Differentiating themselves from one another, the big competitors have all found ways to interact with consumers on a deeper level.

Theories and Models Relevant to Customer Satisfaction in Telecom Sector

Expectation–Confirmation Theory (ECT)

Probably one of the most essential theories on the formation of satisfaction in the service industries is Expectation-Confirmation Theory (ECT) by Richard L. Oliver (1980)^[1]. ECT postulates that before consumers consume a product or service, they have some expectations which are either created by advertising, past experiences, and comparison with competitors. Customers compare the perceived performance with their expectations after the actual

consumption or experience of a service. It results in positive confirmation and satisfaction when the performance is better than expected; negative confirmation and dissatisfaction when performance is worse than expected.

ECT is important in the telecom industry since customers are often faced with promotional statements on high-speed data, superior call quality, continuous video stream, and customer service. Their contentment hinges on the degree of alignment between the desired and the actual service delivery which includes network stability, signal strength and responsiveness of customer care among others. To illustrate, when Jio claims to provide high-speed connectivity 5G, but the client finds that the calls are dropping or that the connection is not very fast, this confirmation is not received and this makes the user dissatisfied. Equally, the BSNL users might be less demanding because of the public-sector perception of the service and when there is a slight improvement of the service, satisfaction could still occur. Therefore, ECT can be used to assist telecom firms to measure the expectation-performance gap and reformulate strategies to enhance customer satisfaction.

SERVQUAL Model (Service Quality Model)

The SERVQUAL model is a service quality assessment framework that comprises of five dimensions, namely Reliability, Responsiveness, Assurance, Empathy and Tangibles, which was proposed by Parasuraman, Zeithaml and Berry (1988) ^[2]. Both dimensions indicate an important point of customer perception that the telecom companies can measure and enhance service delivery.

- Reliability means that the service will be consistent and reliable, including having a stable network coverage, few call drops, precise billing and reliable customer service.
- Responsiveness entails being ready to help the customer as soon as possible which includes attending to a complaint, fixing a technical problem, and giving a timely follow-up.
- Assurance involves competence, courtesy, and trust of the customers in the abilities of service providers.
- Empathy dwells on personalised service, whereby the customer is taken care of and provided with flexible solutions to his problems.
- Tangibles refer to physical and digital aspects that are recharge points, availability of SIM cards, store design, and usability of mobile applications.

SERVQUAL is important in telecom research since the sector is very service-intensive and competitive. The use of SERVQUAL in contrasting between Jio and BSNL in Madhya Pradesh offers suggestions on how these two types of operators can be differing in reliability, speed of problem solving, customer contact, and quality of digital services. This model is useful in determining the places where service enhancements can have direct roles in customer satisfaction and customer loyalty.

Technology Acceptance Model (TAM)

Technology Acceptance Model (TAM) is a model developed by Davis (1989) ^[3] to explain the acceptance and

utilization of technology-based services by the users. TAM concentrates on two significant elements Perceived Usefulness-the extent to which an individual supposes that technology will enhance his or her performance and Perceived Ease of Use- how easily s/he is using the technology.

TAM is highly applicable in the telecom services context because service delivery is becoming more digitized. The current telecom consumers communicate by use of mobile applications to recharge, buy plans, keep track of use, complain and enjoy value added services. The customer accepts them when they can quickly recharge, make a secure payment, or resolve complaints instantly, which are real benefits that make these digital interfaces easy to navigate and gain customer acceptance.

As is the case with the MyJio app by Jio, which has been frequently lauded as having a user-friendly interface, being rechargeable, featuring OTT connections, and allowing users to track their usage in real-time, all of which, in turn, increases its perceived usefulness. BSNL, in its turn, has repeatedly had problems with the old apps and slower digital interfaces, which has influenced the perceived ease of use. TAM also identifies the impact of such technological functions as 4G/5G connectivity, VoLTE, digital KYC, and AI-based customer support on satisfaction and retention in the telecom service market.

Kano Model of Customer Satisfaction

The Kano Model is a framework of customer requirements that has been established by Noriaki Kano (1993) ^[4], which involves three types of needs Basic needs, Performance needs, and Excitement needs to enable companies in the understanding of how various service attributes relate to satisfaction.

- **Basic Needs (Must-be characteristics):** These are the basic needs like availability of the network, clarity of calls, clarity of billing, and basic customer care. The inability to give them results in dissatisfaction, and their ability to give them does not result in a major rise in satisfaction.
- **Performance Needs (One-dimensional qualities):** It covers the qualities like faster internet connection, better coverage, responsive customer care, and the quality of connection is consistent. Customer satisfaction is more in case of better performance.
- **Excitement Needs (Delighters):** These are the features that customers do not anticipate but are highly valued by the customers when they have them. This can be OTT subscription, unlimited data plans, free additional features, 5G, or customised cashback offers.

Kano Model is a handy tool in the telecom industry to get priorities in terms of service refinements. As an example, Jio places a lot of emphasis on the excitement needs, including free access to OTT and 5G expansions, whereas BSNL places a greater emphasis on the basic needs, including the provision of network connectivity to rural areas. The model assists the telecom operators to distinguish between what the customers demand as the basic requirements and what features really increase their overall satisfaction.

Customer Loyalty Model (Oliver’s Loyalty Theory)

According to Oliver, Customer Satisfaction Leads to Long-term Customer Loyalty (1999), customer satisfaction moves into customer loyalty at four stages namely the cognitive, affective, conative and action loyalty.

- Cognitive loyalty is a result of rational considerations, e.g. low-cost plans or broad coverage.
- Affective loyalty is attained when the customers develop emotional liking to the brand based on the reliability of the performance or good experiences.
- Conative loyalty is one with a great desire to purchase again or stay with service.
- Action loyalty is the last phase, when customers decided in favor of the same provider and are not going to change even in case they have the alternative.

This model is especially significant in the telecom industry where switching costs are minimal and consumers can readily transfer services amongst one operator to the other. The model is useful in understanding why the customers are willing to stick with Jio due to its high-speed data or BSNL due to its rural connectivity amidst competition. Satisfaction is not the only factor that affects loyalty, which is also affected by emotional attachments, trust, perceived value and usage habits.

Service Quality Model (Grönroos Model) Disconfirmation

Christian Grönroos (1984) [5] has come up with the service-quality model, which focuses on two dimensions of service delivery, namely Technical Quality (what the customer gets) and Functional Quality (how the service is given). Moreover, the Corporate Image has a moderating effect on the customer expectation and perception.

- **Technical Quality:** This is the actual performance of the service like speed of the data, network availability, lag time, data drop rate and signal strength.
- **Functional Quality:** This entails the manner in which the service is rendered- courtesy of employees, responsiveness to grievances, articulateness in communication and quality of interaction with the customer.
- **Corporate Image:** The effect of Corporate Image can be seen in the perception of quality of service to the customers even prior to the utilisation of the service. The good brand image of Jio could generate some positive expectations and the image of BSNL being a public sector organization could affect the expectations in a different way.

The Grönroos model is quite applicable in the study on telecom since it focuses on the two-sided aspect of telecom service provision: technical structure and customer interaction. It aids the companies in determining whether the customer dissatisfaction is caused by the technical (e.g. poor internet) or the functional (e.g. slow complaint resolution) failures. This two-tier structure enables the telecom operators to enhance their technological operation and the process of customer service so as to achieve better customer satisfaction levels.

Factors Influencing Customer Satisfaction in Telecom Sector

The four dimensions of value functional, promotional, inventive, and emotional-that impact consumer happiness was the primary focus of the research. The answer an offer gives the client is known as its functional value. When it comes to the telecom sector, it's all about the cellular network's optimal performance, which means it should cover a lot of ground, have clear audio, lose calls seldom, and connect instantly. A product or service's promotional value is its ability to entice buyers. It adds value to the economy since it saves money for buyers. Some examples of this kind of offer are coupons, a bonus gift, and special package discounts. The level of innovation in a market is a measure of its innovative value.

This encompasses innovative products, services, and ideas that provide superior answers to consumer issues. When a business innovates, it sets itself apart from rivals. A service provider's ability to evoke positive sentiments in their clients and prospective clients is the source of their emotional value. Customers' buying intentions are strongly predicted by it. Factors impacting consumer happiness have been the subject of several studies. Social value, customer service, functional value, innovative value, emotional value, corporate image, and promotion value were the aspects that Leelakulthanit and Hongcharu (2011) [6] identified as having an effect on consumer satisfaction in Thailand's mobile network. Given the regional and cultural variations, the present research aimed to discover whether it would establish the same outcomes by focusing on four of these factors: functional value, promotional value, emotional value, and inventive value.

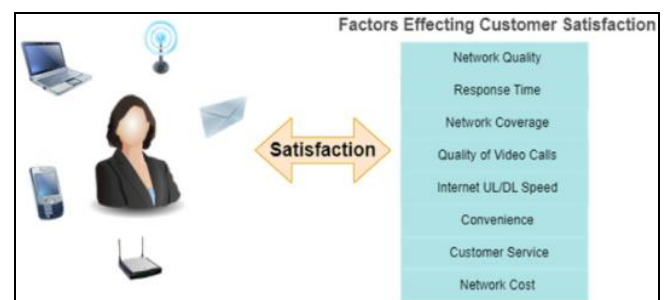


Fig 1: Customer Satisfaction in Telecom Industry

According to McKenna (1991) [7], businesses should priorities building the right infrastructure to suit the demands of their consumers rather than focusing on things like market reviews, advertising, and promotions if they want to have happy customers. Consequently, it is advised to regularly examine the requirements, wishes, preferences, and interests of clients in order to improve the perceived quality. One of the many things that affects consumer pleasure is the pricing. Expectations for the goods are greater and satisfaction levels are higher when price is seen as a measure of quality. Both the direct effect on satisfaction judgements and the indirect effect on perceptions of price fairness is shown by the study. There is a strong correlation between reasonable prices and happy customers. Whenever a competitor provides more reasonable rates, consumers are

free to transfer to them. Customer happiness is a direct result of reasonable pricing, which means that customers may be retained for a longer period of time.

To keep up with consumer demand for creative goods and win their loyalty in the face of ever-accelerating technological development is no easy task for businesses. The strategic direction of innovation is towards increasing the company's market share by boosting customer happiness and loyalty and gaining market potential. To be innovative is to go from having an idea or innovation to having a product that people buy and use, which in turn makes money for the people involved. To be considered an innovation, a product or service must meet certain quality standards set by consumers and be feasible in terms of cost in order to be developed. A crucial organizational capacity now is service innovativeness, which is defined as the tendency to provide service innovations to delight clients and enhance company value at acceptable risk.

When choosing an MTS provider, coverage area and signal strength have always been paramount. Company networks were geographically restricted in earlier years due to the lack of advancements in this area of technology. Both the signal strength and the size of the company's networks have significantly increased today. Customer happiness and brand perception are significantly impacted by reliable network coverage and strong signal quality, according to surveys.

In 1984, Fornell and Westbrook were the first to investigate the strategic significance of handling consumer complaints. They demonstrated that a corporation may be able to reduce future complaints by promoting the voicing of consumer grievances now. Customers need to know that their concerns will be taken seriously when they contact a certain business. Services such as short message service (SMS), multimedia messaging service (MMS), phone call service, text message alert, information service, etc. are now a focus of mobile service providers in an effort to boost consumer satisfaction. Customer satisfaction is the focus of this study, which aims to measure it using a variety of quality metrics, including the following: service innovation, service reliability, service competitiveness, service consistency, pricing, offering, service fulfilment of customer demand, value added service, brand value, operator's contribution to society, and the operator's network/signal coverage.

Service quality dimensions (reliability, responsiveness, assurance, empathy, tangibles)

In recent years, scholars and practitioners alike have shown a great deal of interest in service quality. The satisfaction model states that high-quality service has an effect on satisfied customers. Customers are more satisfied when they get the level of service they anticipated. Quality is something that has many different aspects. Therefore, achieving service quality is difficult without differentiating between the main quality factors. The three aspects of service quality that Grönroos (2000) ^[8] mentions are the technical quality of output, the quality-of-service performance, and the mental image of an organization. Based on their focus group research, Parasuraman *et al.* (1988) ^[9] determined that the following ten factors significantly impact service quality: understanding/knowledge of the client, competence, politeness, responsiveness, communication, access,

credibility, and tangibles. As time went on, five of these ten dimensions-tangibles, dependability, responsiveness, assurance, and empathy-were refined into SERVQUAL, a measure of service quality. To gauge how satisfied customers are with a company's service, the SERVQUAL tool has become standard. The following is an explanation of its five general dimensions or factors:

Reliability: Ability to perform the promised service dependably and accurately.

Responsiveness: Willingness to help customers and provide prompt service.

Assurance: (Including competence, courtesy, credibility and security). Knowledge and courtesy of employees and their ability to inspire trust and confidence.

Empathy: (Including access, communication, understanding the customer). Caring and individualized attention that the firm provides to its customers.

Pricing strategies and customer perceptions

Customers think a lot about price when deciding whether or not to purchase a product. Maximizing one's return on investment is a fundamental human goal. On the other hand, from a commercial point of view, one must acknowledge that being the lowest-priced or having the most valuable goods does not always ensure market success.

As an example, consider high-end purses. Compared to less well-known brands, their prices are typically much higher for items of the same quality. However, there are a lot of people who are ready to shell out more money for designer items. Luxury handbags are functionally identical to cheap ones, but high-end brands stand out from the crowd because to characteristics like prestige, exclusivity, and reputation.

Many strategic elements must be considered in order for a firm to achieve success. Investigating the factors that impact customers' perceptions of your brands and goods is essential. Your pricing plan should be based on how it will influence customer behavior and contribute to the achievement of your overall company objectives.

Pricing Strategy

The telecommunications sector is highly competitive, with corporations always seeking advantages over their competitors. They do this by strategically pricing their goods and services to maximize their likelihood of success.

The cost of the product or service represents its worth. The pricing of a product or service may be determined by several factors, including market circumstances, client segmentation, rival pricing, customers' willingness to pay, bundle pricing, value pricing, and others. Every pricing plan has significance for both the organization and its clients. Telecom companies use diverse pricing techniques to accommodate extensive consumer groups. Telecom firms may use many pricing structures, each with distinct benefits and downsides. The main pricing tactics used in the telecommunications sector include penetration pricing, price skimming, and loss-leader pricing. The following are the pricing schemes:

1. Penetration Pricing: Pricing strategies that are known as "penetration pricing" include businesses setting the

prices of their goods or services at a low level in order to attract clients and increase their market share. This tactic has the potential to be highly successful in the short term; yet, if the rivalry is very severe, it may also result in losses in the long run.

2. **Skimming:** The practice of charging a high price for a product or service in order to generate a big profit in a short amount of time is known as "skimming." This technique has the potential to be effective if there is a restricted amount of competition; but it may fail if consumers begin moving to alternatives that are more affordable.
3. **Loss-leader:** A loss-leader is a strategy that businesses use to attract clients and get them hooked on their service by selling their goods or services at a price that is lower than their actual cost. However, if executed properly, this tactic has the potential to provide positive results.
4. **Customer-based competitive pricing:** This is a pricing strategy that provides calling services at a lower cost in contrast to businesses who are in direct competition with it.
5. **According to Usage:** In this scenario, the company determines the price of its services based on the amount of usage that customers have. Various promotions and deals are made available by the firm to its loyal clients, who are consumers who have been utilizing the services for an extended period of time.
6. **Discounts & Allowances:** Customers whose usages are excessive in contrast to those of other customers are eligible for discounts and special incentives from the firm.
7. **Lifetime Offer:** Company provides services for lifelong cards as part of its lifetime offer. Both the consumer and the firm may benefit from this pricing plan, which allows the company to continue to generate income.
8. **Low-Cost Leadership:** A company may decide to implement a low-cost leadership strategy with the intention of getting an edge over its rivals by offering the services at a lower cost. Airtel was the first company to come up with this concept and create value-added services such as rate cutter cards, SMS cards, and other programs that provided them with the necessary competitive edge.
9. **Product differentiation pricing:** Product differentiation was a business technique that a company used to try to achieve a competitive edge by enhancing the perceived value of their goods or services in comparison to those of their rivals in the market. When Airtel was delivering services to many sectors, such as the government, corporations, and the general people, among others, they used this sort of strategy.
10. **Psychological Pricing:** The psychological pricing strategy is a marketing or pricing strategy that is founded on the premise that specific prices have psychological effects on the customers' perception of the price, their attitude towards the price, and their purchasing behavior. Consumers have a tendency to perceive psychological pricing as being substantially lower than they really are, and they have a tendency to circle around to the next lowest monetary unit. By using

this to their advantage, Airtel was able to develop plans with denominations such as 99, 299, and other options.

Key Components of Telecom Industry Pricing Strategies

In order for telecommunications service providers to achieve success, they need to have a pricing plan that is not only competitive but also sustainable. For the telecommunications business, the formulation of an efficient pricing strategy requires the incorporation of a number of essential components.

Clear Understanding

First and foremost, it's critical to comprehend the market and the competitors. This involves being aware of the prices at which other service providers charge for their offerings. Understanding their value propositions and how they stack up against your own products is also crucial.

Idea of Your Own Cost Structure

You should also have a crystal-clear understanding of the cost structure of your own business. This covers expenses such as those associated with the infrastructure of the network, such as support and marketing charges. When you are aware of your own expenses, you will be able to devise pricing strategies that are not only competitive but also suit your requirements.

Knowing The Need of Customers

In the third place, while developing your pricing plan, it is essential to take into account the requirements of your clients. In order to meet their expectations, you must not only provide them with features and perks that are appealing to them, but you must also ensure that your rates are satisfactory.

Effective Communication

And last, you need to be able to successfully convey your pricing plan to both new clients and customers who are already using your services. To do this, you must have messaging that is both clear and simple on your rates and the reasons why they offer a good value for clients.

Adjustable Pricing: Last but not least, in order to maintain your competitive edge and fulfill the requirements of your customers, you must be ready to make adjustments to your price whenever they are required. Because the market for telecommunications is in a state of perpetual flux, it is essential to have a flexible mindset in order to react rapidly to changes in the market.

Because the telecommunications business is a dynamic sector that is always evolving, its participants need to be flexible and inventive in order to maintain their competitive edge.

Businesses are able to choose which pricing strategy or strategies will be most effective for them if they have a thorough grasp of the many pricing strategies that are available and how they operate. By doing so, businesses have the opportunity to optimize their earnings while also offering consumers with the highest possible level of service and value. To summarize, selecting the appropriate pricing methods may be the deciding factor in determining the level of success that a telecom company achieves.

Conclusion

The Indian telecommunications business has transformed remarkably over the years into an industry that is both competitive and technologically-based. Yet, customer expectations are evolving and will continue to do so, meaning that telecom service providers must provide a high level of consumer satisfaction in order to maintain their place within the market and ultimately achieve long-term success. In addition, this research identifies that many of the same factors contribute to customer satisfaction, whether they be theoretical or practical in nature, rather than any one of these factors by themselves.

In today's highly competitive telecommunication market in India, customer satisfaction plays a key role in long-term success. This article shows customer satisfaction with services depends on theories; such as Expectation–Confirmation Theory, SERVQUAL, and the Technology Acceptance Model which emphasize the importance of meeting expectations of customers versus what you provide; as well practical factors, e.g., service quality, pricing strategy, technological improvements, and customer expectations. Practical examples include factors that impact customer perception (network reliability, affordability, responsiveness, and emotional value). With low switching costs and intense competition, telecommunications companies must focus on being customer-centric by continually improving service quality through digital technology and flexible pricing models. Improving customer satisfaction will increase loyalty, retention, and lead to sustainable growth and a competitive advantage in the telecommunications industry in India.

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