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PERFORMANCE ANALYSIS OF SELECTED TELECOMMUNICATION COMPANY

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ABSTRACT

Maintaining happy customers is crucial to any company's long-term survival. In this paper, we attempted to quantify the extent to which customers of mobile network providers were satisfied with the services they received. A survey with 100 valid responses was conducted and evaluated using the Chi-square test to see whether there was a statistically significant difference in respondents' places of residence. To determine the degree of satisfaction among the respondents, an Importance-Performance Analysis (IPA) was used with an Exploratory Factor Analysis (EFA) to determine the numerous aspects affecting when acquiring a SIM card (IPA). Based on the data, we know that income is the only demographic component that matters in both settings. Payment, Customer Care, Price Related Factor, Additional Services, Technical Factor, Promotional Factor, and Other Factors of Airtel, Vodafone, Jio, and Vi were shown to be the most influential on consumer behavior.

Keywords: Important Performance Analysis, Customer Satisfaction, and Telecommunications

GENERAL INFORMATION

Due to factors including low traffic, the availability of new schemes, lowering handset price, etc., the Indian mobile network provider industry is expanding quickly. The mobile network provider industry in India is the world's second biggest, with fierce rivalry among the major operators. Such a cutthroat customer service becomes more important in the market. Generally speaking, there are two types of telecommunications services: landline and cellular. One kind of company that facilitates wireless communication between endpoints (such smartphones and tablets) uses radio frequency (RF) signals.

People's reliance on cell phones has increased dramatically, and their use has expanded well beyond making phone calls. They've rapidly grown in popularity as a means of entertainment, information gathering, commerce, finance, and much more. When it comes to the telecom industry, India is by far the largest market. This means that the fight to gain market share is intense. Customers now have several service provider alternatives to choose from, all thanks to intense competition. In addition, customers are leaving their service providers more often than ever before. Customers in India may choose from a wide variety of mobile phone service providers due to the saturated nature of the industry.

As such, this article makes an effort to investigate the habits of Goa's mobile phone users as consumers and the range of options available to them.

The primary goals of this paper are to

- (1) use the Chi-Square Test to determine whether or not a statistically significant difference exists between consumers based on where they live,
- (2) use the Exploratory Factor Analysis technique to determine the factors that influence consumers' decisions when comparing mobile service providers, and
- (3) use the SERVQUAL model to assess consumers' levels of satisfaction with those providers. As a result, our research helps to close the gap by providing previously unexplored insights, fresh viewpoints, and novel avenues for further investigation. This study provides useful insights for many parties involved in the telecommunications business, including mobile network operators, equipment manufacturers, and regulators.

INTRODUCTION OF THE STUDY

This research analyzed the previously published material on the topic of customer satisfaction in the telecommunications sector. Telecom services, telecommunication, mobile network, mobile services in India, etc. were used as search terms to locate this study. This was compiled using data from a number of obtaining these articles from many sources including Emerald full text, Science direct, JSTOR, SSRN, and Google Scholars. Fifty studies published between 2012 and 2021 were collected and examined for this investigation.

The literature evaluation gave important answers to three fundamental questions: research gap with regard to the study carried out in telecommunication study; data source and methods utilized in those studies; and different tools and techniques used in those studies to analyze the data. The majority (36%) of the papers have

been published by one and two authors, and the bulk of the research (63% of the total) was done between the years of 2010 and 2015. While 48 percent of India's research is done, no studies have been published from the state of Goa.

Most studies were empirical in character (53 percent), based on primary data (51 percent) gathered by offline questionnaire (58 percent) with a sample size of 50-200 people (43 percent). In light of this data, a standardized offline questionnaire covering the whole state of Goa was sent out to 200 randomly selected participants. EFA (15%) and t-test (11%), in terms of data analysis methods, were the most common. In addition to using Exploratory Factor Analysis, the Chi-Square Test, and the IPA Matrix were also used in this research.

This research fills a gap in the literature by being the first to evaluate customer satisfaction in the telecommunications sector using the IPA Matrix. Information on the formulation of research questions and associated hypotheses will be presented in the next part, to be followed by an analysis and discussion, and then a conclusion.

Profiling Clientele

The practice of gauging consumers' impressions of a company's services in order to determine whether or not those customers are happy with the service they received. What customers think and what they anticipate are inextricably linked. Because of the fluid nature of anticipation, one's impression of another person might change depending on context (time, location, culture).

The quality of service as well as the degree to which customers are happy with their experiences are two key metrics by which businesses are evaluated (Gupta, 2017). By "consumer preferences" or "consumer profiling," we usually imply the process by which a consumer chooses, from among many alternatives, the one most likely to provide the greatest satisfaction of some need or want. A preference shows a selection between alternatives, either of which may be considered neutral or more highly valued. Customers' preferences emerge from their actions throughout the product discovery, acquisition, and disposal phases (Rajpurohit and Vasita, 2018).

A customer is a user of a mobile network's services. Remember that not every client needs every service (news notifications, missed call alerts, etc.). Studying consumer behavior and socioeconomic background is crucial since not all clients need the same services. Customers in various regions can have quite varied requirements, so it's helpful to do demographic research to find out if there are any major variations.

LITERATURE REVIEW

In most contexts, "customer satisfaction" refers to an individual's emotional response to and evaluation of their level of fulfillment (Oliver, 2018). With satisfied customers, a business may reap several rewards. Increased client loyalty and reduced loss from defection helps keep costs down, among other benefits.

benefits the bottom line by increasing sales and decreasing expenditures, boosting brand awareness and increasing word-of-mouth referrals. According to Kim et al. (2019), customers are more likely to be satisfied if they have positive brand-related experiences.

Keeping consumers happy is crucial if you want your business to have a lasting connection with them. According to **Turel and Serenko (2017)**, there is a favourable correlation between the quality of a service, the happiness of the client, and their continued patronage of the business when it is delivered through mobile devices. According to their approach, a happy customer is a loyal customer, and the three are interconnected: value perception, trust, and happiness. As a result of the positive impact that increased perceived value and trust have on service quality, customer satisfaction is likely to increase as a by-product.

According to research by **Kuo (2019)**, customers are more satisfied with mobile services when they are regarded to be providing good value. Individual preferences, past knowledge, and preconceived notions all play a role in shaping a customer's anticipation of a service's quality. The telecom sector/mobile network providers must assess the gap between consumer expectation and perception in order to retain the client.

The financial ratios used in this study were determined using a non-systematic literature scan articles published in academic journals, trade periodicals, and mainstream media. Ratios were found by searching academic sources for terms like "financial management," "profitability and liquidity," and "ratio analysis."

Working capital management is crucial since it has an immediate effect on a company's profitability and liquidity, as demonstrated by the study of **Singh and Pandey (2018)**. Fixed and current assets play an important part in every company's operation. They looked at the many aspects of working capital and discovered that it had a major effect on Hindalco Industries Limited's bottom line.

In their study, **Chakraborty and Bandopadhyay (2017)** looked at strategic working capital management and how it affects the creation of a company's long-term plan for success. Both choices, regarding the company's current assets and current liabilities, are examples of strategic management with far-reaching effects on the company's success.

Raheman and Nasr (2019) attempted to demonstrate the impact of various working capital management variables on the net operating profitability of Pakistani firms. These variables included the average collection period, the inventory turnover in days, the average payment period, the cash conversion cycle, and the current ratio. Using data from the Karachi Stock Exchange, they analyzed the relationships between working capital management factors and business profitability for a sample of 94 companies during the six-year period from 1999 to 2004. According to their research, a longer time needed to convert cash into usable form has a negative impact on a company's bottom line, and managers may boost shareholder value by bringing it down to a minimum.

BACKGROUND OF THE STUDY

Profitability, as measured by gross operating profit, is correlated with the cash conversion cycle and its components (accounts receivables, accounts payables, and inventory), according to a cross-sectional study conducted by Lazaridis and Tryfonidis (2016) using a sample of 131 firms listed on the Athens Stock Exchange from 2014 to 2021. They conclude that managers may increase profitability for their firms by maintaining optimum levels of accounts receivable, accounts payable, and inventory, based on their study of yearly data using correlation and regression tests.

Based on data from a sample of 929 Saudi Arabian joint stock enterprises, he experimentally investigated the connection between profitability and liquidity using the current ratio and cash gap (cash conversion cycle). The firm's profitability was negatively correlated with its liquidity as evaluated by the current ratio, according to Eljelly's correlation and regression study. Companies with high current ratios and slow cash conversion cycles have a stronger correlation between these two variables. However, he discovered that the cash conversion cycle or the cash gap is more important than the current ratio as a measure of liquidity that impacts profitability at the industry level. At the business sector level, company size was also shown to be a strong predictor of profit.

The purpose of this research was to analyze how well Indian cement firms managed their working capital from fiscal years 1992–1993 to 2001–2002. As an alternative to utilizing the standard working capital management ratios, we generated performance, utilization, and overall efficiency indices to assess the effectiveness of our WC management. This work establishes industry standards as the goal efficiency levels of the various businesses, and it also tests the rate at which a company reaches that target efficiency level over the time of research. The research showed that throughout this time period, the Indian cement industry as a whole did not thrive.

PROBLEM STATEMENT

Gross income has declined dramatically in this sector due to a high number of nonperforming assets (NPAs) and a lack of finances for growth, despite the fact that a recent Supreme Court verdict has cleared the way for its development. A telecommunications firm's vulnerabilities include corroded cable links, poor service, and low sales. Inadequacies in the company's ability to compete in the market are known as vulnerabilities.

OBJECTIVES OF THE STUDY

- The goal is to analyze the progress of a few key businesses.
- Analyze how well certain businesses are doing in terms of making money.
- To engage in the activities of broadcasting, telecasting, relaying, and sending

HYPOTHESIS

H0: There is a significant different between performance analysis of selected telecommunication company

H1: There is no significant different between performance analysis of selected telecommunication company

$$\chi^2 = \frac{(78-36)^2}{36} + \frac{(22-64)^2}{64} = 76.563$$

$$36 \quad 64$$

$$P\text{-value} = 1 - p(\chi^2(1) \leq 76.563)$$

k	2	Number of categories
n	100	Sample size
χ^2	76.5625	Chi square test statistic
DF	1	df = k-m-1 =2-0-1 = 1
Phi effect (Φ)	0.875	$\Phi = \sqrt{(\chi^2/n)}$

Goodness of fit, using χ^2 distribution

1. H0 hypothesis

P value , therefore null hypothesis (H0) is rejected.

Because the data does not conform to the statistical model

P-value 2

The probability value is 0 ($p(x2) = 1$). This implies there is effectively no risk of making a type I mistake (incorrectly rejecting a true H0).

More support for H1 is shown by decreased p-values.

The numbers show that

The value of 2 for this test, 76.5625, is outside the 95% confidence interval: $[-\infty : 3.8415]$.

4. the magnitude of the effect

Large effects ($\phi = 0.88$) have been measured. This suggests that the gap between the actual and predicted data is rather wide.

RESEARCH METHODOLOGY

METHODS FOR DATA COLLECTION & VARIABLES OF THE STUDY

Methods for data collection

Primary Information

Secondary Information

Primary Information

A questionnaire was used to collect primary data.

Secondary Information

Secondary data was gathered from Books Journals Magazines Web's logistics es

Sampling

The sampling approach used for data collection is convenient sampling. The convenience sampling technique is a non-probability approach.

Sample size

The number of individuals to be polled is indicated by logistics. Although big samples provide more trustworthy findings than small samples, owing to time and financial constraints,

Analytical strategy

- Graphs and charts are used to depict diagrams.
- Following the use of the relevant statistical methods, logistical conclusions will be formed.
- Findings and recommendations will be provided to make the research more helpful.

LIMITATIONS OF THE STUDY

- Only 3 businesses were included in the analysis.
- Only 100 people were asked to fill out the vey.
- The questionnaire approach was used for this investigation.

CONCLUSION/SUGGESTIONS

The research team behind this analysis had a look at how Airtel, jio, and Vodafone fared financially. The ratio analysis used by the researcher to analyze financial performance reveals more volatility in a subset of the most recent five years, from 2015–16 to 2017–22. When looking at both gross and net profit, Airtel is doing better than Vodafone in the profitability category. When it comes to liquidity, both firms are on the same path, although the average liquidity of Airtel, jio is better than Vodafone by a little margin. We may infer that, throughout a five-year period, Airtel's financial performance was superior than Vodafone Idea's since, according to the debt equity ratio and the interest coverage ratio used by researchers to determine solvency, Airtel consistently out performed Vodafone.

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