

The Impact of Sales Promotion Schemes on Mobile Phone Services: A Comparative Analysis of Prepaid and Postpaid Mobile Users in Dehradun

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Abstract-India's telecommunications business has significantly grown in the modern era of the information society. India's demand for mobile services has seen a spectacular increase, which has sparked fierce competition among various providers of telecommunications services. These companies provide a variety of promotional plans to encourage clients. In order to make educated decisions in this dynamic sector, it has become essential to comprehend consumer preferences and behavior. This study intends to evaluate consumer attitudes of several Dehradun-based mobile phone service providers, with a particular emphasis on their pricing policies and levels of satisfaction with their services. It also aims to predict how mobile phone services will affect socioeconomic developments in the future. To accomplish these goals, 150 mobile users from the city in Dehradun were randomly chosen as a sample. The results show that respondents preferred prepaid cell services over postpaid ones. The study also shows a significant relationship among respondents' monthly income and educational background and the marketing techniques they selected.

Keywords: Mobile Users, Prepaid, Postpaid, Promotion Schemes, Mobile Phone Services.

1. INTRODUCTION

The country is experiencing a tremendous increase of telecommunication services as the new millennium approaches. Over the past few years, India's telecommunication services have undergone a spectacular development. In India, demand for mobile services is dramatically rising. It has significantly aided in the growth of the information society. Today, software and networking play a significant role in the development of the national economy. Numerous major companies, including Reliance, Hutch, Airtel, BSNL, Tata Indicom, etc., have introduced their products to the market while taking the strong consumer demand into account.

India is thought to be a significant cell phone market. Fewer than eight out of every 100 Indians use a mobile phone, compared to 30% of Chinese people, and less than forty % of the country's entire territory is covered by mobile networks, according to one report. Technological innovation has significantly altered the daily lives of businessmen as well as the average person.

From 10.4 million at the end of 2002 to 28.20 million in December 2003, there were more mobile subscribers. 1.5

million additional customers were added to mobile service on an average basis each month in 2003. Compared to this, the rise of mobile phone connections was recorded at 4.5 million connections per month in December 2005 and is anticipated to reach 6 million connections per month in 2006. The key factor behind the exceptional growth, according to Telecom Regulatory Authority of India (TRAI), was a sharp decrease in tariff over the prior year. There will likely be between 130 million and 140 million mobile customers in the nation in 2006. Analysts predict that this number could increase as carriers target the two-thirds of India's billion-plus residents who live in villages and small towns. Carriers like Tata Tele services Ltd. and Bharti Tele-Ventures Ltd. are both aggressively chasing rural India. Bharti Tele-Ventures Ltd. is India's No. 1 carrier, and Vodafone Group Plc just invested \$1.5 billion for a nearly 10% stake. 4,000 towns and up to 35% of India's over 600,000 villages are currently connected via wireless services. T.V. Ramachandran, general manager of the Cellular Operators' Association of India, said. "By end-2006, all the 5,200 towns and 300,000 villages will be covered." The mobile revolution began in India in the middle of the 1990s, when there were only 10 million mobile and

landline connections there. Then, growth took off in the most recent four years as a result of regulatory changes and falling call and phone prices. India is anticipated to be the third-largest mobile market in terms of subscribers, behind China and the United States, by the final quarter of 2006. Cities like Delhi and Mumbai boast phone penetration rates of approximately 40%, comparable to East Asian levels. Today, the Cellular phone industry has seen its share of wars. These can include battles over prices between various service providers, disagreements with the government over regulations, and problems between GSM mobile operators and operators for limited mobility. The biggest price wars were waged over dropping voice rates, thus the service providers looked to non-voice and value-added services to fill the revenue gap.

Due to the multiplicity of businesses, services, and technologies, the challenges in the telecom sector will necessarily be complex and multifaceted. Mobile versus immobile has only been one dimension. From a regulatory perspective, some additional expenses include CPP (Calling Party Pays), connection fees, NLD fees, ADC/USO (Access Deficit Charge/ Universal Service Obligation) for rural services, etc. In a broader sense, these issues are merely roadblocks to everyone's ultimate objective, which is to take home a larger share of the consumer pie. India has the lowest tariffs in the entire world. On the other hand, several operators continued to push the limits of their service capabilities in the race to attract customers, which had an impact on the level of services. To win over the customer, more and more plans and options with regular updates kept being provided.

For managers of for-profit and nonprofit organizations as well as policymakers, the study of consumer behavior has grown in relevance. According to the logic of contemporary marketing, consumer pleasure is essential to a company's continued survival. Knowing "what the customer thinks" and "what consequently would contribute to his satisfaction" is hence a requirement of the marketer.

2. CURRENT STUDY

The users of mobile phones in the city of Dehradun are the topic of the current study. The purpose of the study is to evaluate how consumers perceive the various advertising strategies that various mobile service provider businesses occasionally adopt. It aims to analyze the market's structure, consumer awareness, and perceptions of various Dehradun-based mobile service providers. The study also aims to understand customer happiness and how it will affect socioeconomic developments in the future.

3. RESEARCH METHODOLOGY

An exploratory research study is what the current study is. Both primary and secondary data were gathered in order to examine customer behavior regarding the use of pre-paid vs. post-paid mobile services provided by several telecom carriers in the city of Dehradun. Secondary data was gathered online and through a variety of journals, newspapers, and government publications. The basic data is gathered through a survey questionnaire. 150 Dehradun city mobile subscribers were picked at random for this purpose. The extent of their satisfaction with their current service providers, their preferences for prepaid and post-paid services, the various promotional programs that were made available to them, their internal mobility from prepaid to post-paid, and vice versa, were all investigated. The information thus obtained was tallied, examined, and the necessary conclusions were reached. The data were analyzed using univariate and bivariate data analysis approaches

The following hypothesis was constructed for analyzing the data

H1: The nature of mobile service used by respondents is not associated with family income of respondents.

H2: The different promotional schemes preferred by the respondents are not associated with the level of educational qualification of the respondents.

H3: The different promotional schemes preferred by the respondents are not associated with the level of monthly income of the respondents.

4. SCOPE OF THE STUDY

Despite the fact that the study reflects the state of mobile services in the city of Dehradun, the results cannot be generalized because of the relatively small sample size, but they will provide a better starting point for future research and may have a wide range of applications.

5. RESEARCH FINDINGS

(a). According to a survey's study of respondents' ages, 13.3% of respondents are under the age of 20. According to 73.33% of respondents in the sample, over three-fourths of the sample's respondents are between the ages of 20 and 30. 12% of the respondents are in the 30- to 45-year-old age range, while the remaining 1.33% are over the age of 45.

(b). According to the information on the respondents' educational backgrounds, 72% of the sample's respondents reported that they had a postgraduate degree or above to their credit. Up to 8% of respondents had only received a

matriculation education. Only 6.7% of respondents had education qualifications up to graduation, compared to 13.3% who had only completed their intermediate degrees.

(c). According to data on the respondents' income, up to 39.33 % of respondents came from the income group with a monthly income of up to Rs. 10000. 34 % of respondents had a monthly family income of more than Rs. 15000, whereas 26.66 % of respondents had a monthly family income of between Rs. 10000.

(d). According to data on the respondents' occupations, 31.33 % of respondents come under the category of services. 18.66% of people fall under the business category. 36 % of respondents are from other unclassified occupations, whereas only 14 % of respondents are professionals.

(e). 54 % of respondents are in a position to have a BSNL connection, according to data on the types of mobile services used. Twenty % of respondents said they had Hutch connections, ten % said they had Reliance, twelve % said they had Airtel, and three % said they had Tata Indicom connections.

(f). An evaluation of the responders from the city of Dehradun's connections was made. According to the analysis, 76.66% of respondents had prepaid connections. The remaining respondents (23.33%) used post-paid connections. The degree of correlation between the respondent's mobile service usage and their monthly income was also assessed. The tabulated value (5.992) with two degrees of freedom is greater than the calculated value of the Chi-Square test statistics (2)=3.7201 at a 5 % level of significance. As a result, the claim that the nature of the respondents' mobile services is unrelated to their family's income is accepted.

(g). An effort was made to understand how customers felt about the pre-paid and post-paid connection billing structures provided by the various mobile service providers. According to data on this, 20% of users of prepaid cell services believe that the rate is exorbitant. According to 70% of respondents, relationships are normal, and 10% believe that prepaid mobile billing costs are reasonable. However, when it comes to post-paid, 56.6% of respondents believe that the charges are excessively high. 43.33 % considers rates to be typical. The investigation prominently demonstrates the disparity in viewpoints regarding the billing structure of post-paid versus prepaid mobile services.

(h). The respondent's desire to convert from pre-paid to post-paid services, and vice versa, was attempted to discover. Analysis shows that only 35.33% of respondents want to continue using their present mobile services, while 64.66% want to switch.

(I). Today's numerous service providers compete ferociously with one another. Mobile service providers utilize a range of sales promotion techniques, such as lower tariff rates, higher pulse rates, fewer fixed expenses, lower lease fees, and more, to entice users to their services. The analysis shows that 34.66 % of respondents think that lowering tariff rates is the best course of action. According to 27.33 % of respondents, the best promotional method is increased pulse rate. Only 7.33 % of survey respondents agreed that fixed costs should be cut. A decrease in rental fees was desired by 30.67% of survey participants. At a 5 % level of significance, the calculated Chi square test statistic value (2)=37.9651 is less significant than the tabular value (12.592) with 6 degrees of freedom. As a result, it is untrue to say that the respondent's preferred sales marketing strategy is based on their degree of education. The tabulated value (12.592) with 6 degrees of freedom is smaller than the calculated value of the Chi-Square test statistics (2) = 23.10935 at 5% level of significance. As a result, the claim that the respondent's favorite sales promotion plan is related to their level of monthly income is denied.

(j). The perception of customers regarding whether there is a noticeable variation in tariff rates between pre-paid and post-paid connections supplied by the various mobile service providers was ascertained. According to data on this, over three-fourths of respondents in the study (73.33%) believe that pre-paid and post-paid connections have tariff rates that differ significantly. The remaining respondents (26.66%) believe that the various mobile service providers' pre-paid and post-paid connections have the same tariff prices.

(k). The responder was contacted in an effort to learn which of the city of Dehradun's five major mobile service providers has the best connectivity. According to the information we have, 46.6% of respondents believe Hutch provides better connectivity. Reliance reportedly has superior connectivity, according to 20% of respondents. According to 20% of respondents, BSNL provides the best connectivity. According to the 13.126 % of respondents who voiced their opinions, Airtel and Tata Indicom provide the best connectivity.

(l). According to data on consumer satisfaction with the current mobile service provider, 70% of respondents are

content with the mobile service providers as they are. Only 30% of respondents said they were dissatisfied with the services as they were. Due to inadequate connectivity, issues with the Internet and other connected services, etc., the significant causes became apparent.

(m). The country as a whole is now much more closely knit thanks to information technology. Through the use of various channels, people can now share common experiences and aspirations. The strong interrelationships between technological, economic, cultural, religious, and other social aspects make it difficult for traditional cultures to progress socially. Taking this into account, an effort was undertaken to determine the future potential of mobile services by evaluating their perceived utility by the respondents. It's important to note that 96.66 % of respondents believed it will become a need in the future. Only 3.33 % of people think it will be somewhat useful in the future.

6. DISCUSSIONS FROM THE STUDY

The spread of smartphones and the advancement of technology have had a major impact on the behavior of mobile phone users in recent years. According to the report, Dehradun's mobile service users are primarily young people with high levels of education. Prepaid mobile connections are used by the majority of respondents, and there is no discernible relationship between the service type and income. Prepaid and postpaid consumers have different attitudes on billing structures, with 70% of prepaid users believing

prepaid rates to be normal and 56.6% of postpaid users finding postpaid rates to be extremely excessive. Many respondents said they intended to move between prepaid and postpaid services. According to the vast majority of respondents, mobile services will be necessary in the future. The study supports earlier research by Chaubey DS and ATul Pandey from 2007 that also showed comparable outcomes. Pew Research Center research (Smith, 2019) found that more people are using their mobile phones for activities other than traditional voice calls, such as texting, browsing the internet, and accessing social media platforms. Users check their phones an average of 96 times a day as a result of the widespread use of mobile apps, according to Asurion (2019). Additionally, worries regarding smartphone addiction have been raised by the habit-forming nature of notifications and the constant connectivity provided by mobile devices (Elhai et al., 2017).

As a result of rising competition and changing consumer demands, the telecommunications industry in Uttarakhand has seen notable changes. This study emphasizes the value of strategic sales promotion and the necessity for marketers to take demographic considerations into account when creating promotional plans. Additionally, the general optimism towards the future of mobile services points to a positive environment for suppliers of mobile services in the area are mentioned below in different tables listed from Table 1 to Table 14.

Appendix-I- List of Tables for Respondents

Table. 1: Age

Sl. No.	Description	Total No. of Respondent	%
1.	Below 20 years	20	13.33
2.	20 to 30 years	110	73.33
3.	30-45 years	18	12
4.	Above 45 year	02	1.33
	Total	150	100

Table. 2: Educational Qualification

Sl. No.	Description	Total No. of Respondent	%
1.	Upto Matric	12	8
2.	Upto Intermediate	20	13.3
3.	Up to Graduation	10	6.6
4.	Post Graduate and above	108	72
	Total	150	100

Table. 3: Income

Sl. No.	Description	Total No. of Respondent	%
1.	Upto Rs.10000 per month	59	39.33
2.	From Rs. 10000 –15000 pm	40	26.66
3.	Above Rs.15000 pm	51	34
	Total	150	100

Table.4: Profession

SL. NO.	DESCRIPTION	TOTAL NO. OF RESPONDENT	%
1.	Service	47	31.33
2.	Business	28	18.66
3.	Professional	21	14
4	Others	54	36
	Total	150	100

Table. 5: Type of Telecom Service Provider

SL. NO.	SERVICE PROVIDER USED	TOTAL NO. OF RESPONDENT	%
1	BSNL	81	54
1.	Tata Indicom	05	3.3
2.	Reliance	15	10
3.	Airtel	19	12.66
4.	Hutch	30	20
	Total	150	100

Table. 6: Nature of Service

Sl. No.	Nature	Total No of Respondent	%
1.	Pre Paid	115	76.66
2.	Post Paid	35	23.33
	Total	150	100

Table 6A Degree of association between nature of mobile services used by respondent with their monthly income

	Upto 10000PM	Rs.10000-15000	AboveRs15000PM	
Pre Paid	49	30	36	115
Post Paid	10	10	15	35
$(\chi^2) = 3.7201$				

Table. 7: Billing

Sl. No.	Nature	High rate		Normal Rate		Rate are low	
		No of Respondents	%	No of Respondents	%	No of Respondents	%
1.	Pre-Paid	30	20	105	70	15	10

2.	Post Paid	85	56.6	65	43.33	00	00
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Table 8: Attitude towards conversion to the type of billing

Sl. No.	Nature	Total No of Respondent	%
1.	Customer with positive response	97	64.66
2.	Customer with negative response	53	35.33
	Total	150	100

Table 9: Sales promoted

Sl. No.	Sales Promotion Scheme	Total No of Respondent	%
1.	Reduction in tariff rates	52	34.66
2.	Increased pulse rate	41	27.33
3.	Reduction in fixed casts	11	7.33
4.	Reduction in rental fees	46	30.67
	Total	150	100

Table 9(a): Consumers Preference of Sales Promotion and Education Qualification

	Upto Matric	Up to Intermediate	Upto Graduation	Post Graduate and others	
Reduction in tariff rates	04	05	0	43	52
Increased pulse rate	02	10	10	19	41
Reduction in fixed casts	01	0	0	10	11
Reduction in rental fees	5	05	0	36	46
$(\chi^2) = 37.9651$					

Table 9(b): Consumers Preference of Sales and their income

	Upto 10000PM	Rs.10000-15000	AboveRs 15000PM	
Reduction in tariff rates	26	20	06	52
Increased pulse rate	16	10	15	41
Reduction in fixed casts	05	01	05	11
Reduction in rental fees	12	09	25	46
$(\chi^2) = 23.10935$				

Table 10: Consumers Perception towards prepaid and post paid

Sl. No.	Description	Total No. of Respondent	%
1	Customer with positive opinion	110	73.33
2.	Customer with negative opinion	40	26.66
	Total	150	100

Table 11: Recommendation to friends

Sl. No.	Description	Total No. of Respondent	%
1	Pre-paid	130	86.66
2.	Post Paid	20	13.33
	Total	150	100

Table. 12: Network availability

Sl. No.	Service Provider	Total No of Respondent	%
1.	BSNL	30	20
2	Tata Indicom	10	6.66
3	Reliance	30	20
4	Airtel	10	6066
5	Hutch	70	46.66
	Total	150	100

Table 13 –Satisfactory performance

Sl. No.	Description	Total No. of Respondent	%
1	Satisfied	105	70
2.	Not satisfied	45	30
	Total	150	100

Table. 14: Future plans

Sl. No.	Description	Total No. of Respondent	%
1	It will be an essential item in future	145	96.66
2.	It will be of moderate use	05	3033
3.	It will be of no use	0	0
	Total	200	100

7. CONCLUSION

In recent years, there has been a major transformation in the state of Uttarakhand's telecommunications industry, highlighted by noteworthy adjustments and advancements. This sector has seen a noticeable growth in rivals, indicating a dynamic and competitive environment. In this context, empirical research has found a notable customer preference for prepaid mobile connections. This result is consistent with the general industry trend and highlights how well-liked prepaid services are with customers. Additionally, the study found that some sales promotion tactics, such as lower tariff rates and rental costs, were particularly effective at influencing consumer behavior. The study discovered a connection between customers' preferences for various advertising tactics and their educational histories and amount of monthly income. This shows that demographic factors have a big impact on customer decisions in the telecom industry. It is important to note that almost all respondents indicated confidence about the prospects for mobile services in the future, which is consistent with these findings. This attitude suggests a good market climate and displays a

positive opinion on the industry's growth prospects. It follows that there is a lot of room for mobile service providers to prosper and grow their operations within the city.

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