**A study on CRM and its effects on consumer switching pattern in cellular telecom services in Kerala with special reference to BSNL**

**SYNOPSIS**

Driven by various policy initiatives, India’s cellular mobile service sector has shown phenomenal growth over a decade and is nearing saturation. India’s mobile service sector is hyper competitive with the presence of 12 operators and has one of the lowest call tariffs in the world. India’s mobile service market is continued to be dominated by prepaid subscribers (over 95%) who are price sensitive, low spend and enjoying the freedom of no commitments which presents a greater challenge to the service providers. With the declining ARPU (Average Revenue Per User) and increase in operational expenses, license fees etc., service providers find it hard to be profitable. The introduction of MNP aggravated the situation with over 20% customers opted for switching their service providers.

Mobile service providers have recognised the need for maintaining long term relationship with customers by arresting customer churn. CRM has been identified as an important tool in building long term relationships with customers. But even after implementing various CRM initiatives, service providers are facing customer defection over years in cellular mobile service sector. So this study considered CRM as the central construct and studied its influence on consumer switching determinants. Based on extensive review of literature, a model was proposed with CRM and other major switching determinants so as to explain the consumer switching behaviour.

The model was tested with the primary data collected from individual cellular mobile customers of Kerala by conducting structural equation modeling using AMOS software. Stratified multistage random sampling technique was adopted for the primary data collection of this study. The population is divided into three strata namely urban, sub-urban and rural areas and a sample of 270 from each stratum is selected randomly there by collecting 810 samples for the study. The sampled data were screened for missing values and outliers to ensure the usability, reliability and validity for testing the causal theory which results in 788 usable data. IBM SPSS 20/AMOS 20 softwares were used for data analysis for this study.

CRM is found to be an important driver of perceived service quality, perceived value, customer satisfaction and customer loyalty which inturn negatively influences consumer switching intention in cellular mobile services. A comparative analysis between BSNL and other prominent mobile service providers in Kerala such as Idea, Vodafone and Airtel in terms of the switching determinants has been made in the study. The study also analysed the relationship between switching intention and the demographic profile of the respondents such as gender, age, education, locality, annual income, type connection and period of association with a service provider. The findings of the study will help the service firms to focus on key factors that cause switching intention in cellular service, thereby arresting the customer churn. The introduction of CRM as the key variable in explaining switching behaviour is relatively a new study and it contributes to marketing literature.