
MOBILE NUMBER PORTABILITY: A NEW FEATHER IN TELECOM SERVICES

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ABSTRACT

The Indian telecom market is one of the fastest growing markets in the world today. This research paper is an attempt to look into the implementation of Mobile Number Portability (MNP), its impact on subscribers in India. The motivation for this research emanate from the various concerns and issues raised by subscribers in the country and this work looks at the need for authorities to have close monitoring and evaluation of the MNP facility. A comprehensive review of literature and explanatory research on MNP was carried out in NCR (National Capital Region). It was found that there is a mixed reaction about the effectiveness of this facility and its impact on providing the needed flexibility and freedom to subscribers. Mobile number portability has increased the satisfaction level of mobile users in terms of connectivity, tariff rates, call drops, network coverage, customer care services and desired service package. The study concluded that this facility will prove a sigh of relief to the customer in case of bad services provided by a particular telecom service provider. The competition will intensified because of implementation of MNP and telecom service providers will be compelled to innovate their services to retain existing market share.

Keywords: MNP, Subscribers, Service provider, Porting, Mobile Services.

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INTRODUCTION

In recent years, the telecom industry all over the world entering a new age featured by various innovative services provided by the telecom service providers. These services may lead human beings to a new experience of quality life. The Indian telecom industry is one of the fastest growing in the world and is projected that our country will have 'billion plus' mobile users by 2015. Mobile numbers have become part of our identity, especially as we share our numbers with our family and friends as also with service providers such as banks, insurance companies, schools, colleges and so on. Any change in our personal mobile number results inconsiderable inconvenience for us as well as for others, as it takes a good deal of time and meticulous effort to communicate the change and for others to update their address books/records, for future communication. This is the reason that many subscribers end up staying with a specific mobile service provider, even if they are dissatisfied with the quality of service, pricing or customer service. At times, this situation allows service providers to take their subscribers for granted. Like it or not, subscribers had to maintain that mobile number. Then came the dual sim card option in many mobile phones- making the already foggy scenario even sludgy. Subscribers ended up paying for two unfathomable service plans. The launch of Mobile Number Portability (MNP) is a landmark achievement which is bound to reshape the fiercely competed Indian Telecom Industry. It has aroused a lot of curiosity and queries in the mind of Indian customers. This facility would make a sigh of relief to the customer in case of bad services provided by a particular service provider, he can conveniently switch to some other service provider. The option to retain a mobile number with the freedom to change the service provider puts the customer at his rightful place on top of the pyramid again. In response, the companies in this industry are shifting their strategic focus, not only attracting new subscribers, but also retaining existing customers to use services provided by the same company.

Mobile Number Portability is the facility which allows a user of a mobile service to retain his mobile number when he moves from one mobile service provider to another mobile service provider. In other words, it enables the subscriber to retain his/her mobile number, when switching subscription from one mobile service provider to another.

According to TRAI Notification, 23/09/2009

“Mobile Number Portability means the facility which allows a subscriber to retain his mobile telephone number when he moves from one Access Provider to another irrespective of the mobile technology or from one cellular mobile technology to another of the same Access

Provider.”

Eligibility criteria for making a port request

Every user of mobile phone shall be eligible to make a request for porting his mobile number, provided that

1. A period of 90 days has expired from the date of activation of his old mobile connection or from last porting.
2. There is no outstanding payment due to the donor operator by way of pending bills issued as per the normal billing cycle but before the date of application for porting.
3. There is no pending request for change of ownership of the mobile number.
4. The mobile number sought to be ported is not sub-judice.
5. Porting of the concerned mobile number has not been prohibited by a court of law.

It is to be noted in case of pre- paid, the balance amount of talk time, if any, at the time of porting will be lapse.

Objectives of the study

The main objective of this study was to come up with an understanding of the concept of mobile number portability and specific objectives are:

- To analyze the socio-economic profile of the users of MNP in the study area.
- To explore the sources/media which influenced the subscribers to use MNP.
- To find out the reasons which initiated the subscribers to use MNP.
- To measure the respondents 'degree of agreement over various issues of mobile number portability.
- To compare the satisfaction level of respondents before and after using MNP with different mobile services.

LITERATURE REVIEW

Hui-Tang Chang, (2005) in his study, “The study of effect on customer switching after implementation of mobile number portability” concluded that customer satisfaction and customer switching incentive are relevant to customer switching intention. But there is no significant impact between customer switching cost and customer switching intention. MNP will cause more competitions among the mobile service providers. Then, customer will gain the benefits from it. This study also investigates the influential variables of customer switching intention after implementation of mobile number portability and find out the factors for operations to make the competition strategy.

Tsung-kai Fang, (2006) in his study “Estimating the Switching Costs in the Taiwanese Mobile Phone Market” observed that mobile number portability is meaningful in the sense that it helps to promote competition in the Taiwan mobile communications market by reducing the cost of switching.

Joshi, Sandhya (2011), in her article “A Study of Service Quality and Customer Satisfaction Across various Service Providers in the Telecom Sector.” identified that as market saturation is imminent, there is no better time than now to focus on Customer Lifetime Value (CLV). To drive profits in this business, you must increase the average lifetime value per customer and minimize the service cost, even as service choices increase. It is important for telecom service providers to continually access customer segments and identify the drivers of customer satisfaction so as to retain their profitable customers.

Subakaran, P.(2012), in his article “Challenges in a Commodity Offering : Indian Telecom Services (GSM),” opined that in next few years, the telecom market is more likely to reach saturation. A new consumer will choose a particular telecom service provider without elaborately getting into the details of compromising all the service brands. But the consumer will start thinking about Mobile Number Portability (MNP) if the service provider starts messing with him.

Jayaraman, R.(2013) in his article , “Strategic Priorities for Indian Telecom Industry in the Next Decade” stated that any customer who wants to switch service providers has very low switching costs. With mobile number portability coming into play, things have become even easier. In India, customers are very price sensitive. Due to MNP there may be cut throat competition among different operators.

RESEARCH METHODOLOGY

Research methodology is the way to systematically solve a problem. A research methodology consists of various steps. In the present study research design is a combination of both descriptive and explanatory in nature. A self-administered questionnaire was designed to collect the data. Snowball sampling method was used to select the respondents. Initially, the respondents were asked whether they had ported out their mobile number, and if the answer was yes, then the questionnaire was given to the respondent. The questionnaire consisted of two parts. The first part of the questionnaire collected the details about the demographic profile of the respondents and the second part consisted of items which collected data about reasons and medium which motivated the respondents to use the MNP, the level of satisfaction before

and after using MNP, and level of agreement regarding MNP issues. The sampling methodology used was a combination of random and convenient sampling.

A five-point Likert scale was designed to collect information about MNP issues in Indian scenario, where 1 stands for minimum agreement and 5 stands for maximum. The sample size of study is 75 respondents. The study was conducted from November 2013 to January 2014. The respondents were carefully selected from different groups like students, employees, businessman, professionals, agriculture and homemakers. The study was conducted in National Capital Region (NCR) of India. Hence, it was assumed that the respondents represented the population perfectly.

Tools and Techniques

The collected data was analyzed by using qualitative and quantitative techniques. The primary data collected from respondents was analyzed by using the percentage, paired sample t-test and weighted average score methods by using SPSS. Bar diagrams have been used for better pictorial understanding.

Limitations of the study

The key limitations of the present study are:

- The study is limited to the attitude and the perceptions of the selected sample respondents, and may not be universally applicable.
- There was a possibility of the respondent's bias in reporting perceptions of the survey.
- The study is 'micro' in nature, and its survey findings and observations cannot be generalized, and may be subject to change from time to time and place to place.
- As the sample size was 75 respondents, it is not necessary that it truly represents the population universe.

Data Presentation, Analysis and Interpretation

To truly understand the MNP users' views about mobile number portability facility, responses of respondents have been analysed in the following ways:

Table 1: Personal Profile of the Respondents

Gender	No. of respondents	Percentage
Male	44	58.7
Female	31	41.3
Total	75	100.0

Age	No. of respondents	Percentage
<25 years	44	58.7
26 to 40 years	17	22.7
41 to 55 years	11	14.7
Above 55 years	3	4.0
Total	75	100.0
Qualification	No. of respondents	Percentage
Under Graduate	29	38.7
Graduate	35	46.7
Post Graduate	11	14.7
Total	75	100.0
Present status	No. of respondents	Percentage
Student	37	49.3
Homemaker	2	2.7
Salaried	16	21.3
Businessman	12	16.0
Agriculture	3	4.0
Professional	3	4.0
Retired	2	2.7
Total	75	100.0

Source : Primary Data

Personal profile of the respondents:

In today's world buyers sovereignty has gain momentum as a consequent of the growing awakening tendency about the liking and disliking of a particular product or service. People have different characters and personalities. So, it is necessary to study the socio-economic profile of the sample respondents, a survey had been conducted among 75 MNP users in NCR region and it threw up the following results. It can be inferred from the Table1 that sex composition of respondents was 58.7% male and 41.3% female. Majority (58.7%) of the

sample respondents were less than 25 years and 22.7% of total respondents were of 26 to 40 years. 38.7% of the sample consisted of undergraduate, 46.7% comprised of graduate and 11% respondents were post graduate. Majority (49.3%) of sample respondents were students, 21.3% were salaried persons and 16% were businessmen. It can be concluded that MNP is more popular among male students who are less than 25 years.

Sources Influencing Switching to other Service Provider

Buyers react differently to various sources of information. Table 2 throws light on the sources from where respondents got the information about MNP. Majority of respondents (53.3%) stated that friends and relatives was the main source who motivated them for mobile number portability. Internet and advertisements were also found to be effective in influencing 29.3% and 24% of respondents respectively in taking their decision regarding switching their services to other network/service provider.

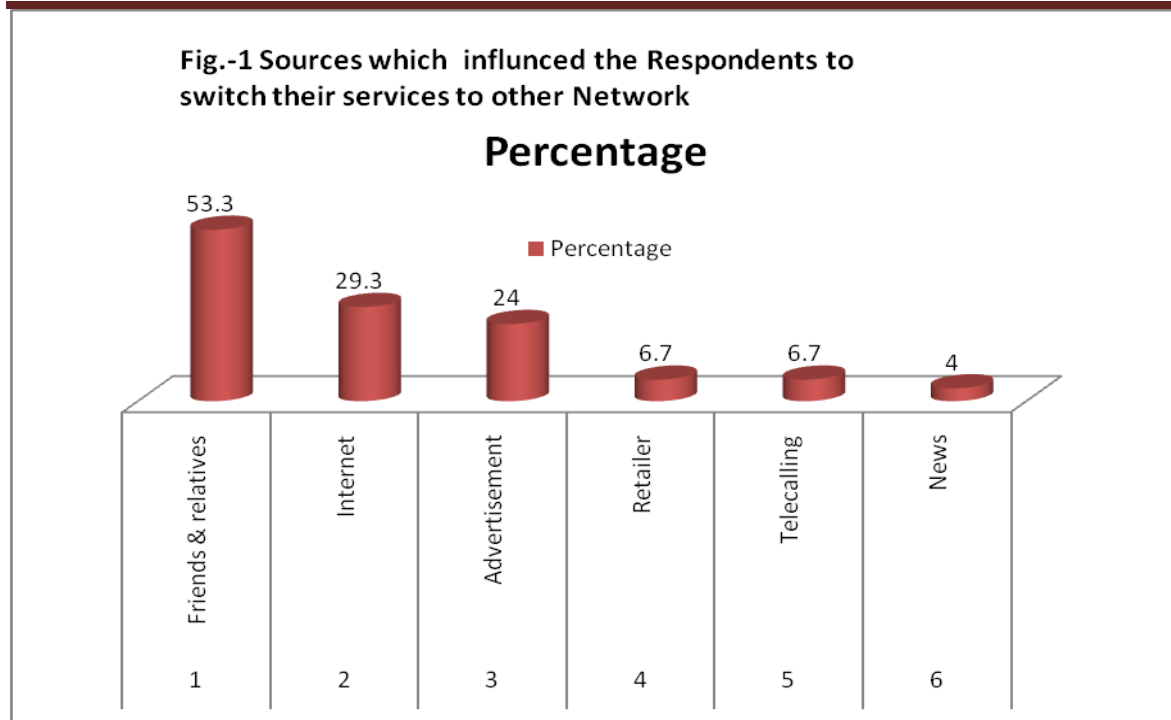
Table 2: The Sources which influenced the Respondents to switch their services to other Network

S. No.	Sources	Respondents	Percentage*
1.	Friends & relatives	40	53.3
2.	Internet	22	29.3
3.	Advertisement	18	24.0
4.	Retailer	5	6.7
5.	Telecalling	5	6.7
6.	News	3	4
Total Respondents		75	

Source: Primary Data

*Total exceeds 100% because of multiplicity of answers.

Tele-calling, retailers and news were found least effective motivators. It can be concluded that every human being because of social nature prefers to evaluate his opinions based on the comparison of opinions of companions. That is the reason friends and relatives was effective medium to influence their decision regarding switching their mobile services from existing to other service provider.



Source : Primary Data

Reasons For Porting Out

“Why does a mobile user go for porting out” is a question of immense importance. To know the reasons for porting out, a query in this connection was made. Table 3 clearly depicts that the reasons for porting out was low call cost of new service provider as responded by majority (52%) of respondents followed by 48% respondents stating low internet cost of new service provider. Poor coverage services and poor customer services were also the reasons as responded by 34.7% and 30.7% of respondents respectively. Table also reveals that 24% of respondents went for portability just for a change and 8% respondents wanted to get desired service package from other service providers.

Table 3: Reasons for porting out

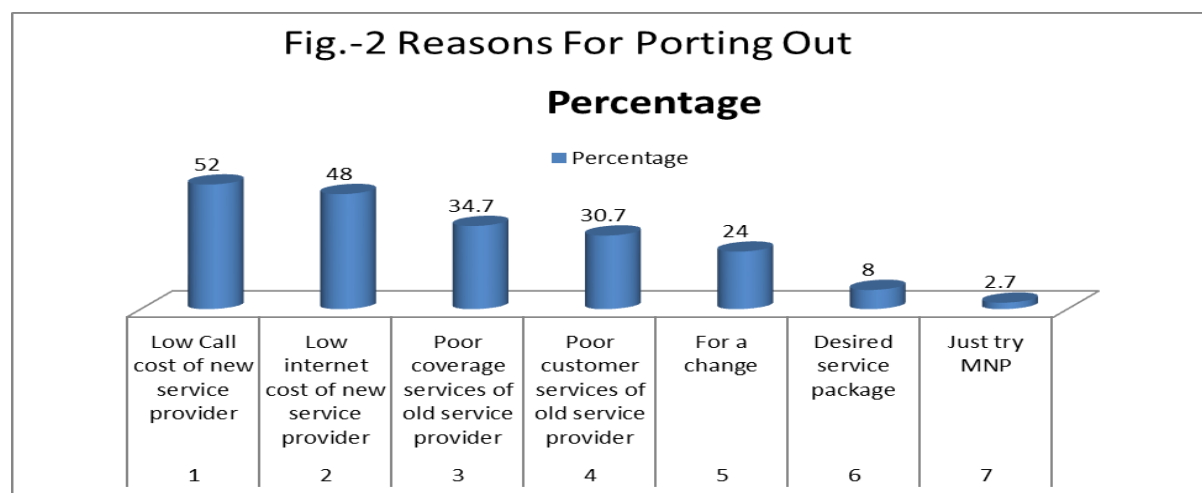
S. No.	Reasons for porting out	Respondents	Percentage*
1.	Low call cost of new service provider	39	52.0
2.	Low internet cost of new service provider	36	48.0
3.	Poor coverage services of old service provider	26	34.7
4.	Poor customer services of old service provider	23	30.7
5.	For a change	18	24.0
6.	Desired service package	06	8.0

7.	Just try MNP	02	2.7
	Total Respondents	75	

Source: Primary Data

*Total exceeds 100% because of multiplicity of answer.

It can be inferred that mobile users normally react to a service provider on the basis of value-added services to satisfy their requirements and made their minds to switch their services to other service providers. Low cost in case of new service provider and poor services in case of old service provider were the main reasons for porting out.



Source : Primary Data

Table 4: Respondents' views on the Agreement Level with Mobile Number Portability

Issues

S. No.	Issues	SA	A	N	DA	SDA	Total Score	WAS
1.	MNP is needless because all the service providers offer same kind of services.	2 (2.7)*	5 (6.7)	15 (20.0)	43 (57.3)	10 (13.3)	279	3.72
2.	MNP is very much beneficial.	21 (28.0)	35 (46.7)	15 (20.0)	4 (5.3)	-	298	3.97
3.	MNP is a easy and quick process.	16 (21.3)	38 (50.7)	11 (14.7)	8 (10.7)	2 (2.7)	283	3.77
4.	Common man is aware about MNP.	2 (2.7)	22 (29.3)	30 (40.0)	13 (17.3)	8 (10.7)	222	2.96
5.	MNP has created a healthy competition among mobile phone service providers.	27 (36.0)	31 (41.3)	4 (5.3)	11 (14.7)	2 (2.7)	295	3.93

6.	MNP is widely accepted in Indian Market.	20 (26.7)	27 (36.0)	16 (21.3)	10 (13.3)	2 (2.7)	278	3.70
7.	MNP is ultimate solution to all service problems.	17 (22.7)	12 (16.0)	20 (26.7)	20 (26.7)	6 (8.0)	239	3.19
8.	MNP may cause some problems.	2 (2.7)	27 (36.0)	26 (34.7)	13 (17.3)	7 (9.3)	221	2.95
9.	MNP may not prove to be so useful after all because there is no strong preference for numbers among Indian consumers.	3 (4.0)	7 (9.3)	33 (44.0)	26 (34.7)	6 (8.0)	250	3.33
10.	Common man is not very much interested in MNP because selecting a new service provider is confusing.	9 (12.0)	34 (45.3)	18 (24.0)	12 (16.0)	2 (2.7)	189	2.52
Total Weighted Average Score = 3.40								

Source: Primary Data

*Data in parentheses indicate percentage of respondents.

Agreement Level with Mobile Number Portability Issues:

Mobile Number Portability is a new concept in the telecom market. To know the views of users about this facility, some statements were framed for this study. Table 4 depicts overall weighted average score 3.40 which revealed that mobile number portability will prove a good option for grievances of mobile users. MNP is very beneficial which got the highest mean score of 3.97, followed by it has created a healthy competition among mobile service providers which got a mean score of 3.93. Every common man is not very much interested in MNP because selecting a new service provider is confusing with an average score 2.52 but it is observed that respondents in sample were highly disagreed that MNP is needles because all the service providers offer same kind of services, with an average value of 3.72. Results show that awareness of MNP is increasing and being widely accepted in Indian market. Even some respondents agreed that MNP may cause some problems with an average score 2.95 but on other hand their score about ultimate solution for problems was 3.19 which depicted MNP as a good option and easy and quick process (3.77) to change service provider. MNP may not prove to be useful after all because there is no strong preference for numbers among Indian consumers got a mean score of 3.33. It can be inferred that today in Indian telecom scenario MNP is in infancy stage. Being Indian consumer of compromising nature, his interest and awareness in switching to other service provider is low.

Impact Of Mobile Number Portability

An attempt was made to find out whether there exists any significant difference regarding satisfaction level about mobile services after porting. Mobile users who have gone for MNP, were asked to express their satisfaction level about connectivity, tariff rates, call drops, network coverage, customer care services and desired service package before and after mobile number porting out. In order to find out impact of mobile number portability, an analysis through statistical paired sample t-test was done with the help of SPSS. The objective of this query was to examine whether mobile services have undergone a change after switching their services to other service provider, and if so, in what direction.

Table 5: Group Statistics: Impact of Mobile Number Portability on mobile Services inn terms of satisfactio level

Paired Samples Test

	Paired Differences					T	df	Sig.(2-tailed)
	Mean	Std. Deviation	Std. Error	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 Connectivity –Connectivity	-1.067	1.234	.142	-1.351	-.783	-7.486	74	.000
Pair 2 Tariff plans -Tariff plans	-1.053	.943	.109	-1.270	-.836	-9.675	74	.000
Pair 3 Call drops -Call drops	-.440	1.255	.145	-.729	-.151	-3.037	74	.003
Pair 4 Network coverage - Network coverage	-1.267	1.379	.159	-1.584	-.949	-7.956	74	.000
Pair 5 Customer care service - Customer care service	-1.013	1.511	.174	-1.361	-.666	-5.807	74	.000
Pair 6 Desired service package - Desired service package	-1.067	1.266	.146	-1.358	-.775	-7.295	74	.000

Table 5.1: Paired Samples Statistics

	Mean	N	Std. Deviation	Std. Error Mean
Pair 1 Connectivity	2.99	75	1.033	.119
Connectivity	4.05	75	.853	.098

Pair 2	Tariff plans	2.85	75	.766	.088
	Tariff plans	3.91	75	.857	.099
Pair 3	Call drops	3.08	75	1.050	.121
	Call drops	3.52	75	.950	.110
Pair 4	Net work coverage	2.89	75	1.098	.127
	Network coverage	4.16	75	.855	.099
Pair 5	Customer care service	2.92	75	1.292	.149
	Customer care service	3.93	75	.977	.113
Pair 6	Desired service package	2.89	75	.967	.112
	Desired service package	3.96	75	.936	.108

Table 5.2: Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	Connectivity & Connectivity	75	.154	.186
Pair 2	Tariff plans & Tariff plans	75	.329	.004
Pair 3	Call drops & Call drops	75	.215	.064
Pair 4	Net work coverage & Network coverage	75	.018	.875
Pair 5	Customer care service & Customer care service	75	.135	.249
Pair 6	Desired service package & Desired service packag	75	.115	.327

As indicated in table 5, it can be inferred that there exists a significant difference of satisfaction level among respondents regarding mobile services after porting out at 0.00 where $p < 0.05$. Differences in means showed that it was in positive direction although values of means were slightly high in all types of desired services for mobile users. Hence, It can be concluded that mobile number portability has increased the satisfaction level of mobile users in terms of connectivity, tariff rates, call drops, network coverage, customers care services and desired service package.

Findings

1. Out of the total respondents, a major portion of respondents belonged to male students who were under 25 years, got their mobile number port out.

2. Friends and relatives was effective medium to influence them regarding switching their mobile services from one service provider to other service provider.
3. Low cost of services in case of new service provider and poor services in case of old service provider were the main reasons for porting out.
4. The analysis revealed that MNP is very beneficial and has created a healthy competition among mobile service providers.
5. Majority of respondents were of view that MNP is easy and quick process and is being accepted in Indian Market.
6. Satisfaction level of majority of respondents has slightly increased after getting mobile number ported out to other service provider in terms of connectivity, tariff rates, call drops, network coverage, customer care services and desired service package.

Suggestions and recommendations

Marketers need to keep note that MNP will better address for grievances of mobile users as well as affordable and convenient for mobile users. As a common man is not aware of MNP there is need for promotion of such services to communicate so that he can get benefits of such services rather than to stay with their old service provider with dissatisfied services.

The present study is limited to a particular geographic region with limited number of MNP users. Therefore, the researchers suggest that the scope of this study can be enhanced in the future by conducting a study at the national/international level, and more mobile users from different demographic profile can be involved for future studies.

CONCLUSION

In nutshell MNP is sure to become one of the key turning points in the history of the telecom market of India. The roll out of MNP marks yet another milestone for the highly competitive telecom market in the country. It will lead to major changes in strategies of all players - big, medium and small. The MNP process is relatively new to India but holds lots of scope. With the revolution in telecom sector in India, the subscriber base has grown by leaps and bounds over the past decade. It can also lead to lots of errors like customer dissatisfaction, misalignment between the old and new service operator, loss of revenue and negative publicity. The arrival of the new system in India will definitely make mobile network operators stay on guard as the subscriber has the flexibility to move out of their network at any time. Mobile network operators will have to face this huge hurdle and will have to improve upon their customer service and products to be the best if they wish to retain their esteemed customers. Well to sum it up it seems on the whole, the customer is again going to be the king

and the mobile companies would surely introduce very attractive plans to retain their existing customers. Mobile Number Portability is surely a new facility of telecomm services which may be very beneficial for Indian mobile users. Let's keep our fingers crossed.

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