Consumers’ Expectations on Quality of Service

24th February 2008
As we leave home today..
Telecom industry growing at 8 Million subscriber / month (highest in the world)
The Indian Consumer

- Large market of 1 Billion +
- Quite a few states like UP, Bihar population equivalent to an independent country
- Large geographic spread
- Different cultures, preferences - spending traits

Large Market, Varied Tastes – Large Variety of Expectations
Expectations – not constant

Business
Music
Camera
Internet
Emails
Calendar
Clock
Maps

Change – The only constant
India’s Mobile Services Usage and Satisfaction Survey – IDC, 2007

- Overall satisfaction at 92.6% - 1% increase over 2006
- Churn on rise – 2% increase in users who are likely to switch (18% - 20%)
- Increase in grievances over Customer Care – concern area
- Decrease in grievances over Billing issues – last 2 year’s concern area

![IDC Survey Satisfaction %](chart)

Only one operator crossing 95% satisfaction levels
## Consumer Expectations – Basic Hygiene

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Perceived of</th>
<th>Consumer Expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOUCH POINTS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USAGE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BILLING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VAS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Point of Sale</td>
<td>Easily reachable and approachable</td>
</tr>
<tr>
<td></td>
<td>Call Centre</td>
<td>Availability of products</td>
</tr>
<tr>
<td></td>
<td>Offices</td>
<td>Behavior of the representative</td>
</tr>
<tr>
<td></td>
<td>Network Quality</td>
<td>Seamless coverage</td>
</tr>
<tr>
<td></td>
<td>Ease of usage</td>
<td>No ‘Call Drops’ or disturbances</td>
</tr>
<tr>
<td></td>
<td>Coverage</td>
<td>Easy to understand services</td>
</tr>
<tr>
<td></td>
<td>Price</td>
<td>Transparency</td>
</tr>
<tr>
<td></td>
<td>Charging</td>
<td>Trustworthiness</td>
</tr>
<tr>
<td></td>
<td>Array of other services</td>
<td>Keep it within limits</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Innovative services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Evolving ideas based on consumer needs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Value Added Services</td>
</tr>
</tbody>
</table>

Basic hygiene factors – in line with current available standards
The Cycle of Consumption and Parameters

Identified '4' Basic Parameters:

- Purchase of Connection
  - Touch points
  - Billing
  - Perception
- Usage of Service
  - Touch points
  - Billing
  - Network
  - VAS
- Problems in Service
  - Touch points

Document Details:
- Page dimensions: 720.0x540.0
- Image size: 240x144 to 480x384
- Text area: 112x505
The Cycle of Consumption and Parameters

- **Purchase of Connection**:
  - **Touch points**
  - **Billing**
  - **Perception**

- **Usage of Service**:
  - **Touch points**
  - **Billing**
  - **Network VAS**

- **Problems in Service**:
  - **Touch points**

- **Touch point**:
  - Ease of obtaining connections, proper availability of outlets, proper information on products and services

- **Billing**:
  - Affordable services, customized offerings, transparent future costs

- **Perception**:
  - Brand Value
The Cycle of Consumption and Parameters

**Purchase of Connection**

**Touchpoints**

**Billing**

**Perception**

**Problems in Service**

- Touchpoint - Ease of obtaining RCVs, proper availability of outlets, proper information on usage products
- Billing – Transparent charging, value products
- Network – Coverage, clarity, availability
- VAS – Array of other services package – music, business etc

**Usage of Service**

**Touchpoints**

**Billing**

**Network**

**VAS**
The Cycle of Consumption and Parameters

Purchase of Connection

Touch points
Billing
Perception

Problems in Service

Touch points

Usage of Service

• Touch point – Proper handling at call centers, company outlets, executives, retail

VAS
The Paradigm Shift

Parameters

**TOUCH POINTS**
- Retail
- Call Center

**USAGE**
- Coverage in Cities
  - Coverage across states
  - Semi-urban and rural penetration
  - USO Areas – deep down to masses

**BILLING**
- 3 – 4 Price Plans
  - Normal Billing System
- Professional BPOs managing 24/7 Call Centers – The Banking Way

**VAS**
- SMS
  - An array of customized offerings
  - Mid and long life products
  - Bundled Offers – with handset
  - Vast array of services – music, sports, religion, internet on mobile, etc.

Paradigm shift to more dynamic services and higher expectations – Operators striving hard to keep up with the exponential growth
Conclusions

- The mobile industry is growing at a scorching pace
- The challenge for the operators:
  - Semi-urban / Rural retail experience
  - Coverage map
  - Network / POI congestion
  - Satisfy varied consumer demands and needs
  - Customer care through personalized service

500 Million subscribers expected by 2010 – QOS to be strengthened rapidly
Thank You