

# Comparative brand equity of hutch and airtel cell phone delhi essay

[Business](#), [Accounting](#)



A SUMMER TRAINING REPORT ON “ Comparative Brand Equity of Hutch and Airtel Cell phone (Delhi)” [pic] SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT OF BACHELOR OF BUSINESS ADMINISTRATION (BBA) PREFACE

This dissertation presentation is a Part of the course curriculum of the MBA. We learn theoretical Concept in the classroom, this dissertation Program give us an insight and profound experience of the Industrial scenario present in the competitive business environment. My in-depth research on the particular topic has given an insight of the current scenario in the telecommunication and service industry. The various brand aspect to the create the particular positioning of both product and service has widened my knowledge. This Project Provides my with an opportunity to relate my classroom learning with the reality of management.

I believe that this knowledge endeavor of mine has prepared me for the future Challenge. ACKNOWLEDGEMENT Co-ordination, Co-operation and Command of the people at various levels go into the successful accomplishment of any task assigned to them. It is impossible to thank each of them individually but hereby I am making a sincere effort to thank some of them. I couldn't have better supervisor for the launching pad of my career. We are deeply indebted to xxxxxxxxxxxx for providing us with an opportunity to work on “ Comparative Brand Equity of Hutch and Airtel Cell phone (Delhi)” for the partial fulfillment of our B. B. A.

curriculum. PULKIT VERMA DECLARATION BY CANDIDATE I declare that the entire content of the project is original and it has been own research work. No part of has been submitted in part or full to this University or any other

university for any degree or diploma or for any other purpose. EXECUTIVE SUMMARY This project intends to Study of drivers of Brand Equity Analysis in Telecommunication industry with special reference to Hutch. Delhi and NCR has been considered as a centre of telecommunication industry. Each company is providing added advantage service to their client. However, consumer has it different perception about each service providing house.

In the entire project, emphasis has been laid down to find the Brand preference analysis in Delhi and NCR. From both prepaid to Post paid analysis, Life time value service consideration and various other factor. A questionnaire based survey was done to complete the study. The questionnaire is based on the Brand Equity Ten. TABLE OF CONTENTS 1. INTRODUCTION • About the company • Market presence • Range of products and services • Company policies • SWOT Analysis 2. RESEARCH METHODOLOGY • Research objectives • Research design • Data sources • Questionnaire design formulation • Sample design • Limitations of the research 3. COMPANY PROFILE 4.

DATA ANALYSIS AND INTERPRETATION 5. CONCLUSION/FINDINGS 6. RECOMMENDATIONS 7.

ANNEXURES 8. BIBLIOGRAPHY/REFERENCES INTRODUCTION Brand Equity: Brand equity is the value built-up in a brand. It is measured based on how much a customer is aware of the brand.

The value of a company's brand equity can be calculated by comparing the expected future revenue from the branded product with the expected future

revenue from an equivalent non-branded product. This calculation is at best an approximation. This value can comprise both tangible, functional attributes (e.

g. TWICE the cleaning power or HALF the fat) and intangible, emotional attributes (e. g. The brand for people with style and good taste). The challenges and complexities of the modern market place make efficient and effective marketing imperative. The concept of brand equity has been put forward as means to focus marketing efforts. The business that wins in the twenty first century will be those that have marketers who successfully brand building, measure and manage brand equity.

Now, what is brand equity? David A. Aaker has defined it as “ Brand equity is a set of assets (and liabilities) linked to a brand’s name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm’s customer”. Over the past few years, “ Brand Equity” has become an increasingly important focal point for product manufacturers and service providers. Emphasis on the role of a brand and the importance of sustainable brand value is no longer limited to companies that market fast-moving products. Companies ranging from telecommunication to travel are recognizing how important it is to view their products and service or “ brand”. The challenges facing these companies is how to define and measure the important equities associated with their brands.

Unless equities can be meaningfully measured, important changes in equity can’t be detected or effectively managed. And that can hurt a company’s

bottom line. In spite of its many definitions, brands equity can be ultimately grouped into two basic concepts: the cognitive associations relating to the perceived added value consumers credit to a brand, and a financial measure of a brand's demonstrated marketplace value. For this project, however, only the consumer-perceived value of the brand is being studied.

**Mobile Telephony** Mobile Telephony is an automatic, battery, two-way radio communication system. It is connected via radio signals to a nearby base station of the mobile telephone network. The cellular system comprises of the mobile handset and the mobile network.

The mobile network has an inevitable role in the functioning of cellular communication. The cellular mobile network consists of the three major elements: • Mobile Switching Centre (MSC) • Transmission segment consisting of wireless lines between mobile handsets and the base trans-receiver handset. • Microwave link connecting the base station to the mobile switch and the mobile handset used of the customer. The entire service area is divided into a series of hexagonal cells in a honeycomb pattern.

That is why the name cellular. The size of the cells varies by the anticipated usage in that area. These may range in diameter from 40mtr. To 50 Km. Every cell has its own transmitting and receiving centre called the base station. These stations are connected to the mobile switching centre (MSC) through antennae. The MSC keeps track on all the subscribers and on that their cells and provides connection to the telecommunication networks. As

one moves from one cell to another, the base station automatically reroutes the call to the cell that the user is entering.

All this happens in split seconds without the user being aware of it. Mobile technology is available in analog and digital. India has started straight the digital technology and accepted an International Standard called GSM (Global System for Mobile Communication) based on European specifications. Industry Profile Last year has been a watershed year for the Indian cellular industry. It started with the Department of Telecommunications (DoT) inviting tenders for 40GSM cellular licenses in January and ended with issuance of nearly 34 licenses in December. Metros were first licensed in 1994 and subsequently circle-wise licenses were issued in 1996.

India was one of the last mobile markets to be liberalized in Asia and that resulted in the tremendous international interest in the GSM tenders. India's late liberalization of its mobile market has led to a number of surprising bonuses. The most evident one is its choice of cellular standard. By mandatory licenses to operate on the 900MHz GSM standard, India has leapfrogged straight into the digital age. Most countries started cellular telephony with different analog technology based on standards like AMPS, NMT and TACS.

Today, all these analog technologies are fast being replaced by digital standard. Now, the so-called third generation or 3G wireless network promise a leap ahead in speed and capacity for mass wireless networks. But that is the future of the wireless world. 3G networks are the high stakes gamble

that may make mobile commerce possible. Six years back, mobile phones were highly associated as a lifestyle product, but they changed the dynamics of the way the market functioned.

India is today, among the fastest adapting cellular nation in the Asia region after China. The total number of subscribers in India was 3.8 million at the end of March 2002, according to the figures compiled by the Cellular Operators Association of India (COAI) (ET, May 1, 2002). The increase in the number of subscribers is only a rough proxy for the total size of the cellular phone market since some subscribers buy second-hand phones. India's cellular phone subscriber base is currently growing by 1.5 lakhs per month. Among the metros, Delhi has overtaken Mumbai as the Metro with the maximum number of cellular subscribers in the country (ET, March 20, 2002).

The capital city recorded a 6.6% growth at 5.9 lakh subscribers in February, 2002 as against 4.8 lakhs units in January, 2002 (COAI). Mumbai had 5.12 lakh cellular subscribers. The latest ICRA study (ET, April 12, 2002) on the Indian telecommunications industry has projected a five fold increase in the number of cellular mobile connections in the country to around 20 million by March 2005 against the estimated 3.6 million subscription by end of March 2002.

It also says by July 2002, the cellular penetration level in India is expected to reach 0.55% of the total population (compared to 3.9% for fixed lines) and 12. %-13% of the total telephone lines. The pre-paid boom is expected to

cross the 50% barrier and there will be more pre-paid users than post-paid by 2003. The cellular industry was one service that had escaped unlimited competition. The government has sought to correct this by subjecting the duopolistic cellular services market to competition from the state owned companies -MTNL/BSNL and a fourth private operator. Further competition is to be induced by allowing basic operators to provide limited mobility by Wireless in Local Loop (WiLL) using Code Division Multiple Access (CDMA) technology.

The cellular industry, in spite of the exponential increase in cellphone subscribers due to the tariff cuts, is in for testing times ahead. How it weathers the storm is to be seen? RESEARCH METHODOLOGY RESEARCH DESIGN: A research design is purely and simply the framework or plan for a study that guides the collection and analysis of data. The Survey Research was used in this project, because consumer's feedback was necessary for obtaining the data. DATA SOURCES: Primary Data was collected by the questionnaire based market survey. Secondary Data was obtained from journals, magazines, newspapers, books and the internet. RESEARCH INSTRUMENT: For doing the survey research, Structured Questionnaire with both open-ended and closed-ended questions was used.

MODE OF SURVEY: The mode of survey was Personal Interview with the respondents during the filling up of the questionnaires. SAMPLING: The sampling used for this study was probability sampling. Since the study is only meant for certain specific categories within the total population (cellphone users, in this case), a stratified random sample was used.



**SAMPLING** A sample size of 60 respondents is used for the study **SAMPLING UNIT:** This study was basically an opinion survey of the residents of Delhi who are cell phone users, about the cellular service providers. **PLACE OF STUDY:** Delhi and NCR Company Profile Hutch is the brand name of Hutchison Essar. It established its presence in India in 1994 and was one of the first cellular providers in the city of Mumbai. Over time it has expanded operations across the country and is one of the most respected cellular service providers known for providing world class and innovative services.

Hutchison Essar in India Hutch established its presence in India in 1994 by acquiring the cellular license for Mumbai. It now has operations in 16 circles accounting for 70% of India's mobile subscriber base. Hutchison Essar Limited, with about 16.67 million\* subscribers, is one of the most reputed telecom companies in India. Over the years, it has been named the 'Most Respected Telecom Company', the 'Best Mobile Service in the country', and the 'Most Creative and Most Effective Advertiser of the Year'. Hutchison Telecom is a part of the multinational conglomerate – Hutchison Whampoa which has its origins dating back to 1828 in Hong Kong.

The Group operates five core businesses in 42 countries across the world, of which, Hutchison Telecom has been one of the pioneers in mobile multimedia communication and spans five continents. The Essar Group is one of India's largest corporate houses with interests spanning the manufacturing and service sectors like Steel, Oil & Gas, Power, Telecom & BPO, Shipping & Logistics and Engineering & Constructions. The Group has an asset base of over Rs 20 billion (US\$ 4.4 billion) and employs over 4000 people. source: \*

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Figures from Cellular Operators Association of India, 31 May 2006  
COMPANY PROFILE AirTel comes to you from Bharti Cellular Ltd. A consortium of giants in the telecommunication business. AirTel launched its services in Delhi on November 14, 1995. It has at present over Six lakh fifty thousand customers in its seven years of pursuit of greater customer satisfaction, AirTel has redefined the business through marketing innovations, continuous technological up gradation of the network, introduction of new generation value added services and the highest standard of customer care.

AirTel has consistently set the benchmarks for the Indian cellular industry to follow.

- First to launch Cellular service in Delhi on November 1995.
- First operator to revolutionize the concept of retailing with the inauguration of AirTel Connect (exclusive showrooms) in 1995.

Today AirTel has 20 Customer Care Touch points called “ Connects” and over 350 dealers in Delhi and NCR towns.

- First to expand its network with the installation of second mobile switching center in April, 1997 and the first in Delhi to introduce the Intelligent Network Platform First to provide Roaming to its subscribers by forming an association called World 1 Network.
- First to provide roaming facility in USA. Enjoy the mobile roaming across 38 partner networks & above 700 cities Moreover roam across international destinations in 119 countries including USA, Canada, UK etc with 284 partner networks.

AWARDS

- Consecutively for four years 1997, 1998, 1999 and 2000, AirTel has been voted as the Best Cellular Service in the country and won the coveted Techies award.
- The Asia Pacific Award for the Most Innovative HR

practices-2000. • The Golden Peacock National Training Award for excellence in Training practices-2000. • The Golden Peacock National Quality Award-2001. • BCL is first mobile communication service provider in India to be certified for ISO 9001: 2000 and 1st in world certified by British Standards Institution for Mobile Communication. Born a leader, the first cellular service in Delhi, AirTel has maintained leadership through constant innovations which have redefined standards of cellular services in India. • First to introduce a wide array of value added services like Smart mail, Fax facility, Call Hold, Call waiting, Web message, Information services etc.

to enhance the convenience of its subscribers. VISION • To make mobile communications a way of life and be the customers' first choice'. MISSION We will meet the mobile communication needs of our customers through: 1. Error- free service delivery 2. Innovative products and services . Cost efficiency 4. Unified Messaging Solutions BHARTI VALUES Innoventing • We will generate and implement entrepreneurial and innovative ideas, which will continuously create new growth engines. Customer First • We are committed to delivering service beyond the expectations of the customer.

Our quality of customer responsiveness clearly differentiates us from others. PERFORMANCE CULTURE • We benchmark our processes and performance against world-class standards. We distinguish between performers and non-performers by valuing achievement at the individual as well as the team level. Ours is a culture of inclusively where feedback, learning and ideas are actively encouraged, sought and acted upon. Valuing Partnership • We are

committed to building exemplary relationship with our partners, which stand on the principles of mutual trust and mutual growth. Valuing People • We nurture an environment where people are respected and their uniqueness is valued. We believe that people are our key differentiators.

Responsible Corporate Citizenship • We are committed to making a positive and proactive contribution to the community. As a responsible corporate citizen we will contribute to and abide by environmental and legal norms.

Ethical Practices • We will uphold the highest ethical standards in all internal and external relationship. We will not allow misuse or misrepresentation of any kind. AIRTEL QUALITY STATEMENT | We will deliver error free “ Mobile Communication Services” through Customer Service Attitude, Employee Empowerment, Speed, | | Creativity and Continuous Improvement. | RECENT ACHIEVEMENTS | AirTel has won the prestigious Techies Award for Best Cellular Phone Service in the country for the third year in a row! | | |“ This award is a tribute to the faith that you repose in us. It is your expectations that have encouraged us to constantly improve so| | that we can deliver the highest standards of service to you - always.

” | Other Major Player in telecommunication Industry The Various other major players in this industry are • Airtel • BPL Mobile ( which has currently sold it stake to Hutchinson) • Reliance Infocomm IDEA Mobile service ( currently AVB group has bought the stake of Tata in this venture). • MTNL • Dolphin mobile service. Market share of Each Company [pic] The following graph shows the market share of each company in the Scale of 10. LITERATURE REVIEW Since the late 1980s brand equity has been one the most important

marketing concepts in both academia and practice. While several different definitions of brand equity have been offered over the years, many of are consistent with Farquhar's (1989) definitions of brand equity as the value added by the brand to the product. A key requirement for managing brand equity is the availability of goods measures (Aaker and Joachimsthaler 2000). In this paper, we propose a new method for measuring, analyzing, and predicting a brand's equity in a product market that is consistent with the "added value" notion of brand equity.

Brand equity can be conceptualized from the following three direct effects: (i) increased brand awareness, (ii) incremental preference due to enhanced attribute perceptions, and (iii) incremental non-attribute preference. In addition, I take into account the indirect effects of the above three sources on the increase availability of the brand. Stated differently, our measure of brand equity incorporates the impact of the increased customer pull on brand availability. Retail equity is the value a retail outlet is able to add to the brand or to the products sold by it.

Point of purchase happens at the retail outlet, and hence, the equity added at this point enhances the image of the outlet. In fact, in some of the product categories such as jewelers, it is the retail equity which draws consumer traffic (though in recent times brands such as Carbon and Tanishq are attempting to build brands in this category). Some ten years ago, criticisms grew louder among both marketing practitioners and theoreticians that financial models were failing to do complete justice to the essential qualities of strong brands, since they concentrated on quantities such as stock

market capitalization, earning – capacity value, license revenues, acquisitions costs, price premiums or the customer contribution margin. This gave rise to new concepts incorporating brand strength as a demand-oriented component. Behavioral valuation methodologies, for example, focus on consumer judgments and investigate brand value as an essentially qualitative construct, but one that can be made manifest using scoring techniques.

They endeavor to explain what goes on in customers' or potential customers' " hearts and minds" and what determines the value of brands from their point of view. The Keller Brand equity approach Another psychographic approach is Keller's technique for determining brand equity. Keller operates on the assumption that customer oriented brand value – which he calls " customer-based-brand equity" – is tied to knowledge of the brand and based on comparison with an unbranded product with the same product category. He defined brand value as " the differential effect of brand knowledge on consumer response to the marketing of the brand.

That is, customer-based brand equity involves consumers' response to an element of the marketing mix element attributed to a fictitiously named or unnamed version of the product or service. " According to Keller, brand knowledge comprises brand awareness and brand image. Brand awareness can involve either brand recall (unaided) or brand recognition (aided). Numerous associations made with a brand shape brand image that is interconnected via a semantic network. Keller characterizes these associations in terms of type, advantage (i. e. consumer satisfaction with and

positive overall image of a brand), strength and uniqueness. Distinctions can be made between the various types of associations as regards brand properties, brand benefits and overall impression.

Brand properties encompass product-related properties (for instance, price and packaging) as well as those with an indirect relationship to a product. Ultimately, the overall impression made by a brand is determined by consumer attitudes. Aaker's brand equity approach Among the best known theoretically oriented concepts in this field is that of Aaker. Aaker regards the brand as a symbol associated with a large number of mental assets and liabilities that serve to identify and differentiate products.

He defines brand equity as " a set of assets and liabilities linked to a brand, its name and symbol, that add to subtract from the value provided by a product or service to a firm and/or to that firm's customers. " Aaker identifies five determinants of brand equity: brand loyalty, brand awareness, perceived quality, brand associations and other brand assets. ? Brand loyalty lies at the heart of a brand's value. These loyalty shows through, for example, in repeat purchasing and hence in relatively stable brand revenues. Awareness of a brand name may be a precondition for the product even entering into the frame for a purchasing decision. What's more, people tend to feel happier with things that are familiar to them, so they are more likely to associate quality with names they know than with others.

? Aaker's next determination is " the customer's perception of the overall quality or superiority of a product or service with respect to its intended

purpose, relative to alternatives. From the customer's viewpoint, high-perceived quality may be a precondition for making the purchase, while for the producer it may mean being able to command a price premium for the branded product. ? Brand associations are characteristics that consumers attribute to the brand.

These are primarily conveyed by advertising, but need not be related to the product itself. These associations may enrich the brand with new perceived characteristics to generate additional benefit, providing customers with a positive feeling of, say, security, confidence or exclusivity, which in turn will boost brand equity. The other brand assets consist in legal and institutional benefits which a brand can offer and which a brand can offer and which protect its value. These include the protection of trademark, markets and distribution channels afforded by legislation covering intellectual property rights. Aaker's model is an oft-cited conceptual approach seeking to highlight the determinants that build brands equity from a consumer's perspective. From a measurements point of view, through the approach is problematical insofar as the determinants are not mutually independent.

Quality, for example, is partly also a function of awareness, associations and loyalty. Moreover, the factors Aaker has identified are not only determinants but also outcomes of brand equity, so in this respect they intermix the input and output stages of brand equity, so in this respect they intermix the input and output stages of a brand equity production function. Aaker's approach also takes no account of the requirements posed by sound measurement



techniques, and the information is lacking to place any numerical value on particular dimensions of a model.

Although quantities from business economies, such as high profit margins, are implicitly postulated as outcomes of positive brand equity, the psychographic phenomenon is not transformed into any monetary equivalent. Kapferer's brand equity model: Kapferer's brand equity model is built on an underlying assumption that the value of a brand lies in a tacit contract between the brand and its customers, "trading" a seal of quality for repeat purchasing. The brand name generates utility by reducing transaction risk for the producer and consumer alike. According to Kapferer, "brands identify, guarantee, structure and stabilize supply.

They draw their value from their capacity to reduce risk and uncertainty. "The contract between customer and brand generates financial rewards for the producer while it reduces the customer's cost of obtaining security. The consumer and his/her purchasing behavior take center stage in Kapferer's brand system. Advertising and point-of-sale product presentations incite the customer to try out the brand. Depending on his/her experience with this purchase, and the quality and price of the branded product, this may generate a habitual purchasing decision, or a brand preference, which will be manifested in repeat buying. The brand's market share, which according to Kapferer correlates positively with brand earnings, is primarily determined by the number of consumers loyal to the brand. Brand earnings "derive from an increment in demand compared with that of a generic product, or from

reduced production and distribution costs resulting from overall savings and productivity gains based on the experience curve.

If the brand earnings are re invested, e. g. in marketing, R and productivity increases, this may well strengthen the brand system by firming up existing contracts and creating new ones, thus further enhancing brand equity and establishing a virtuous circle. As in Aaker's model, brand equity is a result of consumers' charged purchasing behavior. However, in contrast to Aaker, who attributes this charge to brand loyalty, Kapferer proposes that it is due to a reduction of purchase risk. A feature both approaches have in common is that they do not put their hypotheses to any empirical test.

An interesting point to note about the building of value in Kapferer's approach is that it occurs in a system that involves positive feedback. Reinvested brand earnings also create increased long-term financial earnings, establishing a form of perpetual motion via brand management. However, the model does not consider changing consumer values, competitors' strategies or other factors that can have a retarding effect on brand equity growth. Certainly, though, a positive feature is that the model clearly demarcates its determining factors and an outcome, thus ensuring it is functionally logical.

BPL, Titan, Carrier Aircon, Ceat and MRF are some of the brands which have exclusive showrooms, and primarily this kind of exclusiveness helps the brand build its equity. Titan is a brand which has literally moved the shopping experience associated with buying watches from the regular

bazaar shops to a retail world of comfort and good ambience. Brand equity ten Measures The Brand Equity Ten (BET) are ten sets of measures, grouped into five categories, which attempt to gauge the strength of the brand. These are qualitative measures, whose credibility is based upon empirical evidence and a track record.

The first four categories represent customer perceptions of the brand along the four dimensions of brand equity – loyalty, perceived quality, associations and awareness. The fifth includes two sets of market behavior measures.

This project, which intends to study the drivers of Brand Equity in Telecommunication industry with special reference to Air Tel is based on the brand equity ten.

Loyalty Measures (1)Price Premium: A basic indicator of loyalty is the amount a customer will pay for a product in comparison to other comparable products. A price premium can be determined by simple asking consumers how much more they would be willing to pay for the brand. (2)Customer Satisfaction/ Loyalty: Satisfaction or liking is a direct measure of how willing customers are to stick to a brand.

It can be applied only to existing customers. The focus can be last use experience or simply the use experience from the customer's view.

Perceived quality and leadership measures (3)Perceived Quality: Perceived Quality is one of the key dimensions of brand equity and has been shown to be associated with price premiums, price elasticities, brand usage and stock return. This measure can be applied across product classes and calculated

by asking customers to directly compare similar brands. (4)Leadership and Popularity: It has three dimensions. Firstly, it reflects the “ number one” syndrome - the sales leader must have merit. Secondly, leadership taps the dynamics of customer acceptance reflecting that people want to be on eth bandwagon are uneasy going against the flow. Third, it can also tap innovation within a product class, that is, a brand moving ahead technologically.

This can be measured by asking consumers about the product’s leadership position, its popularity and its innovative qualities. Association/  
Differentiation Measures (5)Perceived Value: This dimension simply involves determining whether the product provides good value for money and whether there are reasons to buy this brand over competitive brands. (6)Brand Personality: This element is based on the brand-as-person perspective. For some brands, the brand personality can provide links to he brand’s emotional and self-expressive benefits as well as a basis for customer relationships and differentiation. This will involve a set of specific dimensions unique and relevant to the brand.

7)Organizational Associations: This dimension considers the type of organization that lies behind the brand especially when brands are similar with respect to attributes, when organization is visible and when a corporate brand is involved. Awareness Measures (8)Brand Awareness: Brand Awareness reflects the salience of the product in the consumers mind and involves various levels including recognition, recall, brand dominance, brand knowledge and brand opinion. Market Behavior Measures (9)Market Shares:

The performance of a brand as measured by the market share often provides a valid and dynamic reflection of the brand's standing with customers. This is got from secondary data sources. (10)Market Price & Distribution Coverage: Market share can prove deceptive when it increases of a result of reduced prices or promotions. Calculating market price and distribution coverage can provide a more accurate picture of the product's true strength. Market share or sales data are also extremely sensitive to distribution coverage. The gain or loss of a major outlet or a move into another geographical region may dramatically affect sales.

Telecom Regulatory Authority of India Tariff plans with Lifetime validity Features of Life Time type tariff plans. Most operators have offered lifetime validity scheme in the prepaid segment. Few operators have also extended the concept of lifetime validity to postpaid tariff plans as well. Many operators have filed such tariff schemes with TRAI. Information on these schemes are also available in the websites of the service providers. The following are the general features applicable for tariff schemes with lifetime validity.

- In the prepaid plans, the lifetime validity entails a subscriber to enjoy incoming calls for an indefinite period in lieu of an upfront payment. Whereas in the postpaid plans the lifetime concept implies that the subscriber availing these plans need not pay compulsory fixed charges like monthly rental.
- The upfront payment involved in the prepaid plans with life time validity is around Rs. 1000/-. A talk time content in the range ofRs. 25/- to Rs. 100/- is also available for the subscribers.

- Most operators have extended full talk time in all subsequent recharges for such subscribers with lifetime validity. Few operator shave made provision for choice of any other available tariff schemes by subscribers who opt for lifetime validity schemes. Call charges in these schemes are on a higher side.

In general, local calls are charged at Rs. 1. 99 per minute and STD calls a recharged at Rs. 2. 99 per minute. • Some operators have prescribed minimum of one outgoing call or incoming call or a recharge to be effected in a period of 6 months as a precondition for continued connectivity.

Some operators have Mandated recharge within a period of six months for continuity of the lifetime scheme. OBJECTIVES OF STUDY The objective of the study is to make “ A comparative analysis of Brand Equity of Airtel and Hutch” with special reference to Hutch. The basis of comparison (from the customer’s point of view) has been taken from the ten measures of brand equity – the Brand Equity Ten (BET). Loyalty Measures (1)Price Premium (2)Satisfaction/ Loyalty Perceive Quality/ Leadership Measures (3)Perceived Quality (4)Leadership and Popularity Association/Differentiation Measures (5)Perceived Value (6)Brand Personality (7)Organizational Associations Awareness Measures (8)Brand Awareness Market Behavior Measures (9)Market Share (10)Market Price & Distribution Coverage DATA ANALYSIS FINDINGS A sample size of 60 respondents was used for obtaining the information for this study. The break up of the respondents is as shown below (i)What is your Age? | 15-25 | 66.

67% | | 25-35 | 58. 33% | | 35-45 | 3. 33% | | 45 and Above | 1.

66% | ii)What is your Sex? | Male | 75% | | Females | 25% | (iii)What is your Occupation? | Business | 10% | | Student | 50% | | Govt. Servant | 15% | | Housewife | 0% | | Self Employed | 6. 67% | | Others | 18. 33% | Question-1 Which Cellular Service Provider are you associated with? The first question of the study intends to find out about the cellular connection and the service provider. Since the target segments are the cellular users, all the respondents have cellular connections. In terms of the service provider, the break up is:- | Hutch | 35% | | Airtel | 40% | | Others | 25% | [pic] Question-2 What type of connection do you use for your cell phone? The Second question is to find out the category of connection used. Overall, the results show:- Post Paid = 38.

33 % Pre Paid = 61. 67 % [pic] This break up in terms of services providers is as shown below Hutch | Post Paid | 39. 5 % | | Pre Paid Card | 60. 5 % | [pic] Air Tel | Post Paid (SIM Card) | 34. 38 % | | Pre Paid Card (Cash Card) | 65. 3 % | [pic] The results clearly show that there is a larger subscriber base in the pre-paid (cash card) segment, which is in consonance with the industry figures.

Question-3 What are the key factors/reasons for your association with the current cellular service provider? The Third question intends to find out the reason for the selection of the service provider - in other words, the consumer behavior. Hutch Air Tel | Awareness of the Service provider | 40. 1 % 42% | | Friends Recommended | 21.

88 % 20% | | Retailer Influenced | 6. 25 % 7% | | Advertisements Influenced |  
 12. 5 % 15% | | Market share of the service provider | 35% 40% | | Other  
 reasons | 15. 3 % 12% | [pic] Almost 41 % of the Hutch customers and 42%  
 of Air Tel customers were aware of the service and so chose it.

Other reasons given by the respondents varied from gifts by relatives to  
 company provided phone. These accounted for 15. 63 % of subscribers.

Question-4 Are you aware that the following cellular companies are operating  
 in NCR Delhi? Brand awareness of Service Provider The fourth question was  
 to check the brand awareness of the customers. It would reflect the presence  
 of the brand in their minds.

The options given were:- Air Tel | Spice | Aircel | | Hutch | Command | Skycell  
 | | Dolphin | Escotel | BPL Mobile | The service providers of Delhi are Air Tel,  
 Hutch and Dolphin (MTNL). Only 30% of the customers were aware of this.  
 The large majority, 53.

33% of the respondents, said that only Air Tel and Hutch operated Delhi.

About 6. 67% felt only Hutch operated, while another 5% gave multiple  
 options, which included both Air Tel and Hutch. [pic] Question-5 Are you

satisfied with the services of your current cellular service provider? The fifth  
 question was to measure the customer satisfaction in terms of the service  
 provided by the cellular operators. | Option | Airtel | Hutch | | i) Very satisfied  
 | 9. 37% | 8.

5% | | ii) Satisfied | 62. 5% | 60. 71% | | iii) Neither satisfied nor dissatisfied |  
 28. 13% | 27.



43% | | iv) Dissatisfied |- | 3. 31% | | v) Strongly dissatisfied |- | | [pic] In terms of satisfaction level, we have 9. 7% of Air Tel customers who are very satisfied compared to 8. 55% of Hutch. The majority of the subscribers are a satisfied lot with 62. 5% of Air Tel and 60. 71% of Hutch.

In terms of dissatisfaction, Air Tel fared better with no subscribers dissatisfied while 3. 31% of Hutch subscribers showed dissatisfaction which should be considered very seriously by Hutch. Question-6 Kindly assess the perceived value in terms of the tariffs / rentals for the cellular services used by you.

The sixth question was to find out the perceived value in terms of the tariffs / rentals for the cellular services Tariffs/ Rentals | Air Tel | Hutch | | 1. Very high | 25% | 25% | | 2. High | 53.

13% | 42. 86% | | 3. Neither high nor low | 9. 38% | 21.

43% | | 4. Moderate | 12. 5% | 7. 4% | | 5. Low |- |- | | 6. Cannot say |- | 3.

57% | [pic] The observation from this question is that Air Tel is perceived to be expensive by its customers.

53. 13% of Air Tel's customers consider the tariffs high compared to 42. 86% of Others. The consistent responses by Hutch's Cell phone's customer show that they perceive it as a value -for -money service. Question-7 Are you loyal to your current brand of mobile service provider? The seventh question intends to find out the loyalty measures in terms of price premium, i. e. the price the customer will pay for the brand in comparison to other brands. The

question asked was, “ if your services provider increase the tariffs / retable but gives more value added service, what would you do? ” | Options | Air Tel | Hutch | |(1) Continue with same company | 34.

38% | 46. 3% | |(2) Continue with the same company even if you are dissatisfied | 15. 63% | 14. 29% | |(3) Change over to the other company | 37. 5% | 35. 71% | |(4) Discount using cell phones altogether | 12. 5% | 3.

57% | [pic] Price Premium The TRI\*M model (used by MBL Techno. Search) used in the research to measure the performance of the cellular provides employs an interesting classification to map the cell-phone users. The quadrants for this model are satisfaction on the Y-axis and loyalty on the X-axis. Continue with the same company – APOSTELS Dubbed apostles, their satisfaction is high and also loyalty is high. They are highly contented , loyal customers whose contact with potential customer is more valuable than that of any sales person. Continue with the same company, even if you are dissatisfied – HOSTAGES Dubbed hostage, their satisfaction is low, but loyalty is high. These are dissatisfied customers who are still loyal.

They are major targets for new entrants. Change over to the other company – MERCENARIES Dubbed mercenaries, their satisfaction is high, but loyalty is low. They are the satisfied customers who are not loyal and tends to shop around and compare. They are always on the lookout for a better opportunity.

Discontinue using cell phones all together – TERRORISTS Dubbed terrorist, their satisfaction as well as loyalty is low. They are customers who are

unhappy with the company and tell everybody about their bad experience  
 From the findings, we see that brand loyalty is higher for Hutch cell-phone users and they are willing to pay a price premium for it. Their respondents are 46.43% to Air Tel's 34.8%. they are a valuable asset for the service provider.

But in terms of dissatisfied customers continuing with the same company, Air Tel leads with 15.63% to Hutch 4.29% Not much of difference here. There is a marked difference between Air Tel and Hutch in terms of those customers whose satisfaction as well as loyalty is low. The "terrorists" account for 12.5% in Air Tel while Hutch have only 3.

57% of them. Air Tel in spite of being the market leader will have to control its "mercenaries" and "terrorists", with the possibility of a fourth player coming in, it should worry the company. Question-8 Are you satisfied with the perceived quality of the current cellular service provider The eight question intends to find out the perceived quality of the cellular service provider, by giving ratings on different parameters of the service. | | Air Tel | Hutch | | Clarity | 3.

3 | 3.5 | | Ease of connectivity | 3.5 | 3. | | Network | 3.3 | 3.1 | | Customer Service | 3.

3 | 3.4 | | Value Added Service | 3.6 | 3.4 | [pic] . PERCEIVED QUALITY Low Clarity Sound 12345 High Clarity Sound Poor Connectivity Good Connectivity Poor Network Good Network Unfriendly Customer Friendly

Customer Service Service Poor Value Added Good Value Added Service Service

AIR TEL/HUTCH The semantic differential scale shows the differences in perceived quality between the service providers. Air Tel edges out Hutch in terms of connectivity, network and value added services. There is not much of difference in the ratings because the respondents mostly gave average ratings. Air Tel A majority of the respondents said that the advertisements of Air Tel came to their mind when they thought of Air Tel.

The print and media advertisements - " Touch Tomorrow" and " God Life", were recalled. Interestingly, some respondents could quote the exact word used in the TV advertisements - " sawaal life ka ho, ya lifeline ka" and " It's a girl ! - Bharti /Air Tel. " Another common response was that Air Tel is a good service provider, if not the best. Some just thought of it as their mobile phone company.

The other responses were service provider that helps connect people, technically advanced company, good coverage, power to connect people, making communication easy, user friendly, etc. One respondent even said Mr. Sunil Mittal (Chief of Bharti Enterprises) comes to his mind.

Overall, Air Tel comes across as a competent and exciting brand.

CONCLUSION Comparing Hutch and Airtel on the Brand Equity Ten can conclude this study. 1. Price Premium Hutch cell-phone service providers in terms of satisfied and loyal customers are willing to pay a price premium, while Air Tel leads with loyal but dissatisfied customers. 2.

Satisfaction / Loyalty In terms of satisfaction, Air Tel leads with both very satisfied as well as satisfied customers. Dissatisfaction level is low. 3.

Perceived Quality Here again, Air Tel edges out Hutch in terms of connectivity, network and value added services. Hutch leads in terms of clarity of sound and customer service. 4.

Leadership and Popularity The results showed that majority of respondents chose Air Tel as the company with larger subscriber base compared to Hutch Cell-phone. This reflected the “ number one” syndrome where the leader must have merit. 5. Perceived Value The consistent responses by Hutch Cellphone users perceive it as a value-for-money service. Air Tel is perceived to be expensive by its customers. 6.

Brand Personality: The brand personality of Air Tel comes across as an exciting and competent brand. Its vibrancy appeals to the customers who relate to the advertising messages. 7. Organizational Association Air Tel’s corporate brand is more visible than Hutch. More respondents recognized the caption of Air Tel – Touch Tomorrow.

8. Brand Awareness Brand awareness of the respondents was high with most being aware of both Air Tel and Hutch. So the spoils are even for both the operators here. 9. Market Prices and Distribution Coverage The market prices of the cellular service given by Air Tel and Hutch are very similar. The difference if any is very marginal and is not considered. Also the distribution coverage is properly established. Therefore, there is not much to choose between the two operators and the spoils are even.

Comparing the overall findings we see that Air Tel leads in five brand equity measures (satisfaction/loyalty, perceived quality, leadership & popularity,

organizational associations, market share). The other three measures (brand personality, brand awareness, market price and distribution coverage) have been shared by both Airtel and Hutch. To conclude, the Brand Equity of Air Tel is higher than Hutch, though marginally. ANNEXURE -TABLES -

QUESTIONNAIRE ANNEXURE TABLE 1 Demographic details of the interviewees Age | Frequency |% | | 15-25 | 40 | 66. 67 | | 25-35 | 17 | 28. 33 | | 35-45 | 2 | 3. 33 | | 45- Above | 1 | 1. 6 | | TOTAL | 60 | | TABLE 2 | Sex | Frequency |% | | Male | 45 | 75 | | Female | 15 | 25 | TABLE 3 | Occupation | Frequency |% | | Business | 6 | 10 | | Student | 30 | 50 | | Govt.

Service | 9 | 15 | | Housewife |- |- | | Self-employed | 4 | 6. 67 | | Others | 11 | 18. 33 | TABLE 1 Demographic details of the interviewees Age | Frequency | % | | 15-25 | 40 | 66.

67 | | 25-35 | 17 | 28. 33 | | 35-45 | 2 | 3. 33 | | 45- Above | 1 | 1. 6 | | TOTAL | 60 | | TABLE 2 | Sex | Frequency |% | | Male | 45 | 75 | | Female | 15 | 25 | TABLE 3 | Occupation | Frequency |% | | Business | 6 | 10 | | Student | 30 | 50 | | Govt. Service | 9 | 15 | | Housewife |- |- | | Self-employed | 4 | 6. 67 | | Others | 11 | 18. 33 | TABLE 4 | | Air Tel | Hutch | | | Frequency |% | Frequency |% | | Post Paid (SIM Card) | 11 | 34. 38 | 12 | 39.

5 | | Pre Paid (Cash Card) | 21 | 65. 65 | 16 | 60. | | TOTAL | 32 | | 28 | | TABLE 5 | | Hutch | Airtel | | | Frequency |% | Frequency |% | | Awareness of the Service Provider | 13 | 40.

61 | 9 | 42 | | Friends Recommended | 7 | 21. 8 | 6 | 20 | | Retailer Influence | 2 | 6. 25 | 4 | 7 | | Advertisements Influenced | 4 | 12. 5 | 4 | 15 | | Market

share of the service provider | - | 35 | | 40 | | Other Reasons | 5 | 15. 3 | 4 | 12  
 | TABLE 6 | Cellular Service Provider | Frequency | % | | Air Tel + Hutch +  
 Dolphin | 18 | 30.

00 | | Air Tel + Hutch + Cell Phone | 32 | 53. 33 | | Air Tel | 3 | 5. 0 | | Hutch  
 Cellphone | 4 | 6. 67 | | Air Tel + Hutch + BPL Mobile | 1 | 1. 67 | | Air Tel +  
 Hutch + Aircell | 1 | 1. 67 | | Air Tel + Hutch + Spice + Command | 1 | 1. 7 |  
 TABLE 7 | | Air Tel | Hutch | | | Frequency | % | Frequency | % | | Very Satisfied  
 | 3 | 9. 37 | 1 | 8.

55% | | Satisfied | 20 | 62. 0 | 17 | 60. 71% | | Neither Satisfied nor  
 dissatisfied | 9 | 28. 13 | 6 | 27. 43% | | Dissatisfied | - | - | 2 | 3. 31% | |  
 Strongly Dissatisfied | - | - | 2 | | TABLE 8 Tariffs | Air Tel | Hutch | | | Frequency  
 | % | Frequency | % | | Very High | 8 | 25. 00 | 7 | 25. 00 | | High | 17 | 53.

13 | 12 | 42. 6 | | Neither High nor Low | 3 | 9. 38 | 6 | 21.

43 | | Moderate | 4 | 12. 50 | 2 | 7. 14 | | Low | - | - | - | - | | Can't Say | - | - | 1 | 3.  
 7 | TABLE 9 | | Air Tel | Others | | | Frequency | % | Frequency | % | | Continue  
 with the same Company | 11 | 34.

38 | 13 | 46. 43 | | Continue with the same company even if you | 5 | 15. 63 |  
 4 | 14. 9 | | are dissatisfied | | | | | Change over to the other company | 12 |  
 37. 50 | 10 | 35. 71 | | Discontinue using Cellphone altogether | 4 | 12.

50 | 1 | 3. 57 | QUESTIONNAIRE (i)What is your Age? (ii)What is your Sex?  
 (iii)What is your Occupation? Question-1Which Cellular Service Provider are  
 you associated with? Question-2What type of connection do you use for your

cell phone? Question-3What are the key factors/reasons for your association with the current cellular service provider? Question-4Are you aware that the following cellular companies are operating in NCR Delhi? Question-5Are you satisfied with the services of your current cellular service provider? Question-6Kindly assess the perceived value in terms of the tariffs / rentals for the cellular services used by you. Question-7Are you loyal to your current brand of mobile service provider? Question-8Are you satisfied with the perceived quality of the current cellular service provider

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ph hDolphin Hutch IDEA Airtel BPL Reliance MTNL Series1 Other brand assets



Brand Loyalty Brand Association Perceived quality Name Awareness Brand  
equity Name, Symbol