

# [Market analysis of that malaysian telecommunications industry](https://assignbuster.com/market-analysis-of-that-malaysian-telecommunications-industry/)

Today, a new economy is characterized lesser by tangible goods whose value can be pegged to a cost of materials, but more by intangible goods whose value is a function of a particular combination of information services, timely delivery, popularity within a vertical segment, brand name, and other factors that have no basis in cost of materials. The payoff for successful ventures promises to be huge, but the complexities of the environment create pitfalls to success.

## Celcom is the second largest player in the communication industry and oldest mobile telecommunications company in Malaysia. Celcom has successfully introduced the mobile telephony in Malaysia through its ART – 900 services by using first generation NMT – 900 technologies. Celcom was sold to Telekom Malaysia and the government has owned the Celcom fixed line in 2003. It is one of the member TM group companies. Moreover, Celcom is also one of the two 3G providers in Malaysia. In year 2006, Celcom offering both 2. 5G and 3G services in its postpaid and Xpax prepaid brands. In the earliest of 2006, Celcom customers based up to 7 million and 95 % nationwide mobile service coverage with 3G availability in most Klang Valley, Johor Bahru, Kulim and Penang.

Research Objectives

To investigate the overall of customer’s perception on implementation of customer relationship management of Celcom based in Kuala Lumpur

To investigate the overall of customer’s satisfaction on implementation customer relationship management of Celcom based in Kuala Lumpur

To investigate the effects of consumer loyalty based on implementation of customer relationship management of Celcom based in Kuala Lumpur

## Research Methodology

## Data Collection

## Method 1

Interview

A personal interview on Celcom Axiata Berhad was chosen for the study. Celcom was established since 1999. The address of Celcom is attached in the Appendix.

Interview is conducted for the purpose of obtaining information that was unclear for the study. An interview is important because information that was unobtainable from secondary sources and questionnaires can be made possible. Email interviews will be conducted through the Internet.

## Method 2

Questionnaire Survey

Questionnaires can be used as a common way of social investigation to collect data for a number of reasons. Firstly, questionnaires allows me to get the correct data in the given time. Secondly, the method enables me to get the relevant information on CRM from different groups of individuals.

I have decided that the data will be obtained by a multiple prescriptive test. The quantitative data collection methods depend on random sampling and structured data collection instruments that fit diverse experiences into predetermined response categories. They produce results that permit easy summarization, comparison, and generalization.  Quantitative research is concerned with testing hypotheses obtained from theory and/or being able to estimate the size of a phenomenon of interest. Participants may be randomly assigned to different treatments depending on the research question.

Collection of questionnaires is carried out as in the following steps:

Step 1: The questionnaires are distributed to the respondents. They are told what they are supposed to do. They are asked to complete the questionnaires according to the exact requirements in the questionnaires and answer the questionnaires personally and independently, without any discussion with others and within the time allowed which is 10 minutes.

Step 2: Once done, it will be arranged and checked. Finally the questionnaires are counted based on the different demands of the research.

## Target Population

The targeted population of this research is on mobile phone user based in Mantin. The sample comprised of 100 respondents who have used any of the three service providers.

## Statistical Test

Based on the literature reviews, these hypotheses are developed to test the customers’ loyalty towards Celcom.

HA1: The service quality is positively related to self-loyalty towards Celcom.

HA2: Customer’s satisfaction level is positively related to self-loyalty towards Celcom.

HA3: The service quality is positively related to recommendations to others towards Celcom.

HA4: Customer’s satisfaction level is positively related to recommendation to others towards Celcom.

## Data Analysis Procedure

Primary Data collection has been analyzed by using the statistical Package for Social Sciences (SPSS) software for Window and also Microsoft Excel. Among the statistical tests that have been conducted were frequency, Chi-square and Mean. The first step in analyzing the information was to edit the information obtained, such as the questionnaires and interviews, to ensure completeness, accuracy and consistence. When editing had been completed, coding of data followed. After editing and coding, the last step was data tabulation.

## Variability Consideration Of Data Analysis

## Individual Variability

Age is an important variable when doing data analysis using questionnaires. The age of the respondent will often influence the results therefore, it must be considered in this study.

## Social Variability

Education and occupation are also taken into consideration as well. One third of the subjects chosen are college students in Malaysia owing to the convenience of research. Two thirds of the subjects are chosen from different occupations such as teachers, businesspersons, drivers, and government employees in Malaysia. With regard to education, subjects have received either middle-school education, college education or postgraduate education.

## Cultural Variability

Nationality is regarded as a variable belonging to cultural category. Respondents come from different cultures having different views as well. Understanding customer relationship management among customers cannot neglect the cultural background of customers. In order to ensure the success of the research, I have taken cultural variability into consideration.

## Presentation Of Results

## Personal Information And Socio-Characteristics Of The Respondents

## Table 1: Age of the respondents

Majority of the respondents participated in the survey are the younger ones.

## Table 2: Gender of the respondents

For the gender of the respondents, majority of them are females with 53% while the males consist of 47%.

## Table 3: Highest education level

The education level of the respondents are in moderation and in general there are quite educated as majority of them have either diploma/certificate or bachelor degree.

## Table 4: Race of the respondents

The distribution of respondents quite represents the population division of Malaysia as it mainly consists of these 3 main races.

## Table 5: Income per month of the respondents

Overall, the income of the respondents ranges from RM1000 to RM4000 and the amount is just in moderation.

## Cross-Tabulations Of The Variables

Table 6: Cross-tabulation between Customer service quality and operations in general and satisfaction level with the service provided in general

The cross-tabulation shows that customers who state that the service quality and operations to be poor in general seem to be less satisfied with the service provided in general. Those who perceive service quality is very poor are very dissatisfied (9 respondents) and dissatisfied (4 respondents); those who perceive it is poor are dissatisfied (27 respondents); those who perceive it is average are dissatisfied (3 respondents) and it is average (18 respondents).

The customers who state that the service quality and operations to be good in general seem to be more satisfied with the service provided in general. Those who perceive service quality is good state it is average (2 respondents) and are satisfied (25 respondents); those who perceive it is excellent are satisfied (3 respondents) and very satisfied (19 respondents).

Table 7: Cross-tabulation between Loyalty to continue using the service provided in general and Loyalty to recommend the company to other people in general

The cross-tabulation shows that customers who are disloyal to continue using the service in general seem to be disloyal to recommend the company to other people in general. Those who won’t continue using at all also wont’ recommend at all (10 respondents); those who won’t continue using won’t recommend (17 respondents); those who are not sure won’t recommend (1 respondent) and are not sure (18 respondents).

The customers who are loyal to continue using the service in general seem to be loyal to recommend the company to other people in general. Those who will continue using are not sure (2 respondents) and will recommend (27 respondents); those who will very much continue using will recommend (10 respondents) and will very much recommend (15 respondents).

## Hypothesis Testing – Linear Regression Test

This section utilizes the linear regression test. There are 2 models in his section. Regression tests are applied to detect the relationship between the independent variable(s) and the dependent variable. The tests are tested based on 10% probability level.

## To test (i) service quality of the company, (ii) customer satisfaction level of the company – on the customers’ self loyalty of the company

## Model 1

Regression

## Table 8: Relationship between service quality, customer satisfaction level and customers’ self-loyalty

The F-test is testing the validity of the regression model. Based on the 10% probability level, null hypothesis is rejected (Sig. = 0. 000) and we can conclude that the regression model is a valid one. In other meaning, the result is significant and there is at least a relationship between the independent variable(s) and the dependent variable.

The correlation coefficient is 0. 995. This means that the strength of relationship between the independent variable(s) and the dependent variable is 99. 5%. The coefficient of determination is 0. 990. This means that about 99% of the variation in Self-loyalty is explained by the independent variables (Service quality and Customer satisfaction level).

The T-test is testing the relationship of each independent variable(s) with the dependent variable. These tests are tested on 10% probability level. For Service quality (Sig. = 0. 778), null hypothesis is accepted and we can conclude that there is no relationship between Service quality and Self-loyalty.

For Customer satisfaction level (Sig. = 0. 000), null hypothesis is rejected and we can conclude that there is a positive relationship between Customer satisfaction level and Self-loyalty. The customers who are more satisfied with the services provided by Celcom tend to have more self-loyalty towards the company. At the same time, the customers who are less satisfied with the services provided by Celcom tend to have less self-loyalty towards the company.

## To test (i) service quality of the company, (ii) customer satisfaction level of the company – on the customers’ recommendation to others

## Model 2

Regression

## Table 9: Relationship between service quality, customer satisfaction level and customers’ recommendation to others

The F-test is also tested for this regression model. Based on the 10% probability level, null hypothesis is rejected (Sig. = 0. 000) and we can conclude that the regression model is a valid one. This means that the result is significant and there is at least a relationship between the independent variable(s) and the dependent variable.

The correlation coefficient is 0. 995. This means that the strength of relationship between the independent variable(s) and the dependent variable is 99. 5%. The coefficient of determination is 0. 991. This means that about 99. 1% of the variation in Recommendation to others is explained by the independent variables (Service quality and Customer satisfaction level).

The T-test is tested as well here. These tests are also tested on 10% probability level. For Service quality (Sig. = 0. 772), null hypothesis is accepted and we can conclude that there is no relationship between Service quality and Recommendation to others.

For Customer satisfaction level (Sig. = 0. 000), null hypothesis is rejected and we can conclude that there is a positive relationship between Customer satisfaction level and Recommendation to others. The customers who are more satisfied with the services provided by Celcom are more likely to recommend the company to other people. At the same time, the customers who are less satisfied with the services provided by Celcom are less likely to recommend the company to other people.

## Conclusion

We can say that CRM is an important key to success, however to make sure success is achieved, many other issues must be considered like the marketing and strategic perspectives of the organization. We can summarize the key for success in Celcom for the future are:

Choose a clear road related to the CRM and must be a business lead

Understand the theory of buying in

Planning must be done before execution

Descriptive statistics have been provided to explain about the respondents in terms of their demographics variables such as age, gender, levels of education. Researching on topics like customer relationship management has to contain a bigger sample size instead of the 100 sample size used to obtain a clearer result in future.