

**A STUDY ON CUSTOMER PERCEPTION OF AIRTEL MONEY
WITH SPECIAL REFERENCE TO COIMBATORE**

A Project Report
Submitted
By

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In partial fulfillment of the requirements
for the award of the degree

of

MASTER OF BUSINESS ADMINISTRATION

Department of Management Studies
Kumaraguru College of Technology
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May, 2012



BONAFIDE CERTIFICATE

Certified that this project report titled “A Study on Customer Perception of Airtel Money with Special Reference to Coimbatore” is the bonafide work of Mr. S.Gokul, 10MBA019 who carried out the project under my supervision. Certified further, that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.


Faculty Guide

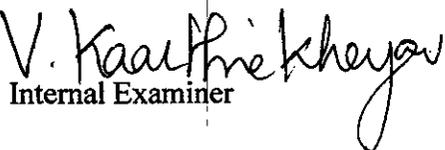
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This is to certify that Mr S.Gokul, Master of Business Administration student of Kumaraguru College of Technology Business school, Coimbatore has done a project on "A study on Customer perception of Airtel Money with special reference to Coimbatore", from 15th March 2012 to 30th April 2012.

We wish him all success in her futher studies.

Best Regards,

A handwritten signature in black ink, appearing to read 'S. Gokul' with a horizontal line underneath.

Authorized signatory

DECLARATION

I affirm that the project work titled “A Study on Customer perception of Airtel Money with special reference to Coimbatore” being submitted in partial fulfillment for the award of master of business administration is the original work carried out by me. It has not found the party other project work submitted for award of any degree or diploma, either in this or any other university.



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SYNOPSIS

Airtel money is a new launch by the telecommunication giant Airtel. Being a new innovative service the awareness level is quite low and thereby market is rich in with potential. Customer perception is what the customer think about the product. In the competitive marketplace where business compete for customers, customer perception play a key element for business strategy.

Customer satisfaction is an abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and product/service. The state of satisfaction depends on a number of both psychological and physical variables which correlate with satisfaction behaviors such as return and recommend rate. The level of satisfaction can vary depending on the factors such as other products against which the customer can compare the organization's products.

Customers are satisfied when the performance of the product or service matches or exceeds their expectations. Satisfied customers are more likely to continue their patronage. Therefore customer perception is an important step in the relationship building process and many of the satisfied customers will become clients.

CHAPTER 1

INTRODUCTION

1.1 Introduction to the study

Airtel money is a new launch by the telecommunication giant Airtel. Being a new innovative service the awareness level is quite low and thereby market is rich in with potential. Customer perception is what the customer think about the product. In the competitive marketplace where business compete for customers, customer perception play a key element for business strategy.

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1.2 INDUSTRY PROFILE

Telecom in the real sense means the transfer of information between two distant points in space. The popular meaning of telecom always involves electrical signals and as a result, people often exclude postal or any other raw telecommunication methods from its meaning. Therefore, the history of Indian telecom can be started with the introduction of telegraph.

The Indian postal and telecom sectors saw a slow and uneasy start. In 1850, the first experimental electric telegraph line was started between Kolkata and Diamond Harbour. In 1851, it was opened for the use of the British East India Company. The Posts and Telegraphs department occupied a small corner of the Public Works Department, at that time.

Subsequently, the construction of 4,000 miles (6,400 km) of telegraph lines connecting Kolkata (then Calcutta) and Peshawar in the north along with Agra, Mumbai (then Bombay) through Sindwa Ghats, and Chennai (then Madras) in the south, as well as Otacamund and Bangalore was started in November 1853. Dr. William O'Shaughnessy, who pioneered the telegraph and telephone in India, belonged to the Public Works Department, and worked towards the development of telecom throughout this period. A separate department was opened in 1854 when telegraph facilities were opened to the public.

In 1880, two telephone companies namely The Oriental Telephone Company Ltd. and The Anglo-Indian Telephone Company Ltd. approached the Government of India to establish telephone exchanges in India. The permission was refused on the grounds that the establishment of telephones was a Government monopoly and that the Government itself would undertake the work. In 1881, the Government later reversed its earlier decision and a licence was granted to the Oriental Telephone Company Limited of England for opening telephone exchanges at Calcutta, Bombay, Madras and Ahmedabad

and the first formal telephone service was established in the country. On 28 January 1882, Major E. Baring, Member of the Governor General of India's Council declared open the Telephone Exchanges in Calcutta, Bombay and Madras. The exchange in Calcutta named the "Central Exchange", was opened at third floor of the building at 7, Council House Street, with a total of 93 subscribers. Later that year, Bombay also witnessed the opening of a telephone exchange.

Milestones and Developments

- Pre-1902 – Cable telegraph
- 1902 – First wireless telegraph station established between Sagar Islands and Sandheads.
- 1907 – First Central Battery of telephones introduced in Kanpur.
- 1913–1914 – First Automatic Exchange installed in Shimla.
- 1927 – Radio-telegraph system between the UK and India, with Imperial Wireless Chain beam stations at Khadki and Daund. Inaugurated by Lord Irwin on 23 July by exchanging greetings with King George V.
- 1933 – Radiotelephone system inaugurated between the UK and India.
- 1953 – 12 channel carrier system introduced.
- 1960 – First subscriber trunk dialling route commissioned between Lucknow and Kanpur.
- 1975 – First PCM system commissioned between Mumbai City and Andheri telephone exchanges.
- 1976 – First digital microwave junction.
- 1979 – First optical fibre system for local junction commissioned at Pune.
- 1980 – First satellite earth station for domestic communications established at Sikandarabad, U.P..
- 1983 – First analogue Stored Program Control exchange for trunk lines commissioned at Mumbai.

- 1984 – C-DOT established for indigenous development and production of digital exchanges.
- 1995 – First mobile telephone service started on non-commercial basis on 15 August 1995 in Delhi.
- 1995 – Internet introduced in India starting with Mumbai, Delhi, Calcutta, Chennai and Pune on 15 August 1995

While all the major cities and towns in the country were linked with telephones during the British period, the total number of telephones in 1948 numbered only around 80,000. Post independence, growth remained slow because the telephone was seen more as a status symbol rather than being an instrument of utility. The number of telephones grew leisurely to 980,000 in 1971, 2.15 million in 1981 and 5.07 million in 1991, the year economic reforms were initiated in the country.

While certain measures were taken to boost the telecom industry from time to time, (for example introduction of the telex service in Mumbai in 1953 and commissioning of the first Subscriber trunk dialling route between Delhi and Kanpur and between Lucknow and Kanpur in 1960), the first waves of change were set going by Sam Pitroda in the eighties. The real transformation in scenario came with the announcement of the National Telecom Policy in 1994.

Emergence as a major player

In 1975, the Department of Telecom (DoT) was separated from Indian Post & Telecommunication Department. DoT was responsible for telecom services in entire country until 1985 when Mahanagar Telephone Nigam Limited (MTNL) was carved out of DoT to run the telecom services of Delhi and Mumbai. In 1990s the telecom sector was opened up by the Government for private investment as a part of Liberalisation-Privatization-Globalization policy. Therefore, it became necessary to separate the Government's policy wing from its operations wing. The Government of India corporatised the operations wing of DoT on 1 October 2000 and named it as Bharat

Sanchar Nigam Limited (BSNL). Many private operators, such as Reliance Communications, Tata Indicom, Vodafone, Loop Mobile, Airtel, Idea etc., successfully entered the high potential Indian telecom market.

Privatization

The Indian government was composed of many factions (parties) which had different ideologies. Some of them were willing to throw open the market to foreign players (the centrists) and others wanted the government to regulate infrastructure and restrict the involvement of foreign players. Due to this political background it was very difficult to bring about liberalisation in telecommunications. When a bill was in parliament a majority vote had to be passed, and such a majority was difficult to obtain, given to the number of parties having different ideologies.

Liberalization started in 1981 when Prime Minister Indira Gandhi signed contracts with Alcatel CIT of France to merge with the state owned Telecom Company (ITI), in an effort to set up 5,000,000 lines per year. But soon the policy was let down because of political opposition. She invited Sam Pitroda a US based Non-resident Indian NRI to set up a Center for Development of Telematics(C-DOT), however the plan failed due to political reasons. During this period, after the assassination of Indira Gandhi, under the leadership of Rajiv Gandhi, many public sector organisations were set up like the Department of Telecommunications (DoT), VSNL and MTNL. Many technological developments took place in this regime but still foreign players were not allowed to participate in the telecommunications business.

The demand for telephones was ever increasing. It was during this period that the Narsimha Rao-led government introduced the national telecommunications policy [NTP] in 1994 which brought changes in the following areas: ownership, service and regulation of telecommunications infrastructure. They were also successful in establishing joint ventures between state owned telecom companies and international players. But still complete ownership of facilities was restricted only to the government

owned organisations. Foreign firms were eligible to 49% of the total stake. The multi-nationals were just involved in technology transfer, and not policy making.

During this period, the World Bank and ITU had advised the Indian Government to liberalise long distance services to release the monopoly of the state owned DoT and VSNL; and to enable competition in the long distance carrier business which would help reduce tariffs and better the economy of the country. The Rao run government instead liberalised the local services, taking the opposite political parties into confidence and assuring foreign involvement in the long distance business after 5 years. The country was divided into 20 telecommunication circles for basic telephony and 18 circles for mobile services. These circles were divided into category A, B and C depending on the value of the revenue in each circle. The government threw open the bids to one private company per circle along with government owned DoT per circle. For cellular service two service providers were allowed per circle and a 15 years license was given to each provider. During all these improvements, the government did face oppositions from ITI, DoT, MTNL, VSNL and other labour unions, but they managed to keep away from all the hurdles.

After 1995 the government set up TRAI (Telecom Regulatory Authority of India) which reduced the interference of Government in deciding tariffs and policy making. The DoT opposed this. The political powers changed in 1999 and the new government under the leadership of Atal Bihari Vajpayee was more pro-reforms and introduced better liberalisation policies. They split DoT in two- one policy maker and the other service provider (DTS) which was later renamed as BSNL. The proposal of raising the stake of foreign investors from 49% to 74% was rejected by the opposite political party and leftist thinkers. Domestic business groups wanted the government to privatise VSNL. Finally in April 2002, the government decided to cut its stake of 53% to 26% in VSNL and to throw it open for sale to private enterprises. TATA finally took 25% stake in VSNL.

This was a gateway to many foreign investors to get entry into the Indian Telecom Markets. After March 2000, the government became more liberal in making policies and issuing licenses to private operators. The government further reduced license fees for cellular service providers and increased the allowable stake to 74% for foreign companies. Because of all these factors, the service fees finally reduced and the call costs were cut greatly enabling every common middle class family in India to afford a cell phone. Nearly 32 million handsets were sold in India. The data reveals the real potential for growth of the Indian mobile market.

In March 2008 the total GSM and CDMA mobile subscriber base in the country was 375 million, which represented a nearly 50% growth when compared with previous year. As the unbranded Chinese cell phones which do not have International Mobile Equipment Identity (IMEI) numbers pose a serious security risk to the country, Mobile network operators therefore planned to suspend the usage of around 30 million mobile phones (about 8 % of all mobiles in the country) by 30 April. 5–6 years the average monthly subscribers additions were around 0.05 to 0.1 million only and the total mobile subscribers base in December 2002 stood at 10.5 millions. However, after a number of proactive initiatives were taken by regulators and licensors, the total number of mobile subscribers has increased greatly to 881 million subscribers as of October 2011.

India has opted for the use of both the GSM (global system for mobile communications) and CDMA (code-division multiple access) technologies in the mobile sector. In addition to landline and mobile phones, some of the companies also provide the WLL service. The mobile tariffs in India have also become lowest in the world. A new mobile connection can be activated with a monthly commitment of US\$0.15 only. In 2005 alone additions increased to around 2 million per month in 2003–04 and 2004–05.

In June 2009, the Government of India banned the import of several mobile phones manufactured in China citing concerns over quality and the lack of IMEI's which make it difficult for authorities in India to track the sale and use of such phones. In April 2010,

the Government was also reported to be blocking Indian service providers from purchasing Chinese mobile technology citing concerns that Chinese hackers could compromise the Indian telecommunications network during times of national emergency. A series of attacks on Indian government websites and computer networks by suspected Chinese hackers has also made Indian regulators suspicious with regards to the import of potentially sensitive equipment from China. The companies reported to be affected by this are Huawei Technologies and ZTE.

Regulatory environment

LIRNEasia's Telecommunications Regulatory Environment (TRE) index, which summarises stakeholders' perception on certain TRE dimensions, provides insight into how conducive the environment is for further development and progress. The most recent survey was conducted in July 2008 in eight Asian countries, including Bangladesh, India, Indonesia, Sri Lanka, Maldives, Pakistan, Thailand, and the Philippines. The tool measured seven dimensions: i) market entry; ii) access to scarce resources; iii) interconnection; iv) tariff regulation; v) anti-competitive practices; and vi) universal services; vii) quality of service, for the fixed, mobile and broadband sectors.

The results for India, point out to the fact that the stakeholders perceive the TRE to be most conducive for the mobile sector followed by fixed and then broadband. Other than for Access to Scarce Resources the fixed sector lags behind the mobile sector. The fixed and mobile sectors have the highest scores for Tariff Regulation. Market entry also scores well for the mobile sector as competition is well entrenched with most of the circles with 4–5 mobile service providers. The broadband sector has the lowest score in the aggregate. The low penetration of broadband of mere 3.87 against the policy objective of 9 million at the end of 2007 clearly indicates that the regulatory environment is not very conducive.

Revenue and growth

The total revenue in the telecom service sector was ₹86,720 crore (US\$17.3 billion) in 2005–06 as against ₹71,674 crore (US\$14.3 billion) in 2004–2005, registering a growth of 21%. Estimated revenue of FY'2011 is Rs.835 crore (US\$ 19 Bn Approx). The total investment in the telecom services sector reached ₹200,660 crore (US\$40 billion) in 2005–06, up from ₹178,831 crore (US\$35.7 billion) in the previous fiscal. Telecommunication is the lifeline of the rapidly growing Information Technology industry. Internet subscriber base has risen to more than a 121 million in 2011. Out of this 11.47 million were broadband connections. More than a billion people use the Internet globally. Under the Bharat Nirman Programme, the Government of India will ensure that 66,822 revenue villages in the country, which have not yet been provided with a Village Public Telephone (VPT), will be connected. However doubts have been raised about what it would mean for the poor in the country.

It is difficult to ascertain fully the employment potential of the telecom sector but the enormity of the opportunities can be gauged from the fact that there were 3.7 million Public Call Offices in December 2005^[24] up from 2.3 million in December 2004.

The Total Revenue of Indian Telecom Services company is likely to exceed Rs 200000 Cr (US\$ 44 Bn approx) for FY 11–12 based on FY 10–11 nos and latest quarterly results. These are consolidated nos including foreign operation of Bharti Airtel. The major contributions to this revenue are as follows: Bharti Airtel 65,060 Reliance Comm 31,468 Idea Cellular 16,936 Tata Comm 11,931 MTNL 4,380 TTML 2,248 BSNL 32,045 Voda 18,376 TataTeleservice 9,200 Aircel 7,968 SSTL 600 Uninor 660 Loop 560 Stel 60 HFCL 204 Videocon Telecom 254 DB Etisalat/ Allianz 47 Grand Total Rs 201,997 Crs contributed by Sanjay Banka, FCA

Sectors

Telephones

The primary regulator of telecommunications in India is the Telecom Regulatory Authority of India (TRAI). It closely regulates all of the industries mentioned below with the exception of newspapers and the Internet service provider industry. The telecommunications industry in India is dominated by private-sector and two state-run businesses. Most companies were formed by a recent revolution and restructuring launched within a decade, directed by Ministry of Communications and IT, Department of Telecommunications and Minister of Finance. Since then, most companies gained 2G, 3G and 4G licenses and engaged fixed-line, mobile and internet business in India. On landlines, intra-circle calls are considered local calls while inter-circle are considered long distance calls. Foreign Direct Investment policy which increased the foreign ownership cap from 49% to 74%. Currently Government is working to integrate the whole country in one telecom circle. For long distance calls, the area code prefixed with a zero is dialled first which is then followed by the number (i.e. To call Delhi, 011 would be dialled first followed by the phone number). For international calls, "00" must be dialled first followed by the country code, area code and local phone number. The country code for India is 91. Several international fibre-optic links include those to Japan, South Korea, Hong Kong, Russia, and Germany. Some major telecom operators in India include Airtel, Vodafone, Idea, Aircel, BSNL, MTNL, Reliance Communications, TATA Teleservices, Infotel, MTS, Uninor, TATA DoCoMo, Videocon, Augere, Tikona Digital.

Telephone Subscribers (Wireless and Landline): 914.59 million (October 2011)

Land Lines: 33.19 million (October 2011)

Cell phones: 881.40 million (October 2011)

Monthly Cell phone Addition: 7.79 million (October 2011)

Teledensity: 76.03 % (October 2011)

Projected Teledensity: 1 billion, 84% of population by 2012.^[25]

Mobile Telephones

In August 1995, Chief Minister of West Bengal, Shri Jyoti Basu ushered in the cellphone revolution in India by making the first call to Union Telecom Minister Sukhram^[26]. Sixteen years later 4th generation services were launched in Kolkata.

With a subscriber base of more than 851 million, the Mobile telecommunications system in India is the second largest in the world and it was thrown open to private players in the 1990s. GSM was comfortably maintaining its position as the dominant mobile technology with 80% of the mobile subscriber market, but CDMA seemed to have stabilised its market share at 20% for the time being. By March 2010 the country had 584 million mobile subscribers, up from 350 million just 15 months earlier. The mobile market was continuing to expand at an annual rate in excess of 40% coming into 2010.

The country is divided into multiple zones, called circles (roughly along state boundaries). Government and several private players run local and long distance telephone services. Competition has caused prices to drop and calls across India are one of the cheapest in the world. The rates are supposed to go down further with new measures to be taken by the Information Ministry. In September 2004, the number of mobile phone connections crossed the number of fixed-line connections and presently dwarfs the wireline segment by a ratio of around 20:1. The mobile subscriber base has grown by a factor of over a hundred and thirty, from 5 million subscribers in 2001 to over 881 million subscribers as of October 2011. India primarily follows the GSM mobile system, in the 900 MHz band. Recent operators also operate in the 1800 MHz band. The dominant players are Airtel, Reliance Infocomm, Vodafone, Idea cellular and

BSNL/MTNL. There are many smaller players, with operations in only a few states. International roaming agreements exist between most operators and many foreign carriers. The government allowed Mobile number portability (MNP) which enables mobile telephone users to retain their mobile telephone numbers when changing from one mobile network operator to another.^[29] India is divided into 22 telecom circles.

1 Andhra Pradesh 2 Bihar & Jharkhand 3 Chennai 4 Delhi 5 Gujarat & Daman & Diu 6 Haryana 7 Himachal Pradesh 8 Jammu and Kashmir 9 Karnataka 10 Kerala & Lakshadweep 11 Kolkata 12 Madhya Pradesh excluding Mumbai & Chhattisgarh 13 Maharashtra & Goa 14 Mumbai 15 North Eastern States (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, & Tripura) 16 Orissa 17 Punjab 18 Tamil Nadu excluding Chennai & Puducherry 19 Eastern Uttar Pradesh 20 Western Uttar Pradesh & Uttarakhand 21 West Bengal excluding Kolkata, Andaman & Nicobar Islands & Sikkim

Fixed Telephones

Until the New Telecom Policy was announced in 1999, only the Government-owned BSNL and MTNL were allowed to provide land-line phone services through copper wire in India with MTNL operating in Delhi and Mumbai and BSNL servicing all other areas of the country. Due to the rapid growth of the cellular phone industry in India, landlines are facing stiff competition from cellular operators. This has forced land-line service providers to become more efficient and improve their quality of service. Land-line connections are now also available on demand, even in high density urban areas. India has over 35 million main line customers.

Internet

Main articles: List of Internet users by country and List of countries by number of broadband Internet subscriptions

Internet country code: .in

Internet Service Providers (ISPs): 180 (2010)

Internet hosts: 4,536,000;

Internet users: 121 million;

Broadband Internet users: 13.35 million (Dec 2011)

Internet access in India is largely provided by the private sector and two state-run companies and is available in a variety of forms, using a variety of technologies, at a wide range of speeds and costs. The country has the world's third largest Internet users with over 121 million users (of whom 59% who only access the internet via mobile devices) as of December 2011. However, the Internet penetration in India is one of the lowest in the world and only accounts for 8.4% of the population compared to OECD countries where average penetration rate is over 50%. The number of broadband Internet subscribers in India has started to become more significant, having more than doubled in the two-year period to end-2009. DSL, whilst holding slightly more than 75% of the local broadband market, was steadily losing market share to other non-DSL broadband platforms, especially to wireless broadband platforms. The 3G auction was followed by an equally high profile auction of 4G spectrum that set the scene for a competitive and invigorated wireless broadband market.

The growth in number of broadband connections in India has accelerated since 2006. As of December 2011, total Internet connections stood at 22.39 million, while the broadband Internet connections in India had reached 13.35 million constituting 1.0% of the population. India has one of the lowest penetrations of broadband connectivity in the world.

A number of private Internet Service Providers (ISPs) offer services in India, many with their own local loop and gateway infrastructures. BSNL and MTNL have continued to dominate the ISP market because of their existing massive copper infrastructure in the

last-mile across the nation. An estimated 60% of Internet users were still regularly accessing the Internet via the country's more than 10,000 cybercafes.

According to International Telecommunication Union, the international average broadband speed is at 5.6 Mbps, whereas in India the average speed hovers at 256 kbit/s which is the minimum speed set by TRAI. The government declared 2007 to be "the year of broadband." Four years later, Indian broadband failed to deliver a download speeds of which other developed nations delivers. South Korea led the list with an average of 43 Mbit/s, followed by Japan (10.6 Mbit/s) and United States (4.6 Mbit/s).

India broadband growth is hampered by various challenges, including a complicated tariff structure, metered billing, higher charges for right of way and absence of local-loop unbundling. Average Internet speed in India is as low as 0.8Mbit/s. Out of the total Internet population 35% are still below 256kbit/s. To compete with international standards of defining broadband speed the Indian Government has taken aggressive step of proposing the \$13 billion national broadband network to connect all cities, towns and villages with a population of more than 500 in two phases targeted for completion by 2012 and 2013. The network will be capable of handling speed up to 10Mbit/s in 63 metropolitan areas and 4Mbit/s in additional 352 cities.

Broadcasting

Main articles: Media of India, Television in India, and List of Indian television stations

Radio broadcast stations: AM 153, FM 91, shortwave 68 (1998), Domestic Radio, Broadcasting

Radios: 116 million (1997)

Television broadcast stations: 1,400 (of which 82 stations have 1 kW or greater power and 480 stations have less than 1 kW of power) (2009)

Televisions: 110 million (2006)

In India, only the government owned Doordarshan has the license for terrestrial television broadcast. Over the years, Doordarshan services have grown from a single national channel to six national and eleven regional channels.

Satellite/Cable television took off during the first Gulf War with CNN. There are no regulations against ownership of satellite dish antennas, or operation of cable television systems, which led to an explosion of viewership and channels, led by the Star TV group and Zee TV. Initially restricted to music and entertainment channels, viewership grew, giving rise to several channels in regional languages, especially Hindi. The main news channels available were CNN and BBC World. In the late 1990s, many current affairs and news channels sprouted, becoming immensely popular because of the alternative viewpoint they offered compared to Doordarshan. Some of the notable ones are Aaj Tak (means Till Today, run by the India Today group) and STAR News, CNN-IBN, Times Now, initially run by the NDTV group and their lead anchor, Prannoy Roy (NDTV now has its own channels, NDTV 24x7, NDTV Profit and NDTV India).New Delhi TeleVision.

Next generation networks

In the Next Generation Networks, multiple access networks can connect customers to a core network based on IP technology. These access networks include fibre optics or coaxial cable networks connected to fixed locations or customers connected through wi-fi as well as to 3G and 4G networks connected to mobile users. As a result, in the future, it would be impossible to identify whether the next generation network is a fixed or mobile network and the wireless access broadband would be used both for fixed and mobile services. It would then be futile to differentiate between fixed and mobile networks – both fixed and mobile users will access services through a single core network. Most telecom companies won 3G and 4G licences in a competitive auction.

They have now rolled out their third-generation (3G) mobile services since early 2010, but most companies will officially launch fourth-generation (4G) mobile services based on LTE or Long Term Evolution technology from 2012.

Indian telecom networks are not so intensive as developed country's telecom networks and India's teledensity is low only in rural areas. 670,000 route kilometres (419,000 miles) of optical fibres has been laid in India by the major operators, even in remote areas and the process continues. BSNL alone, has laid optical fibre to 30,000 Telephone Exchanges out of their 36 Exchanges. Keeping in mind the viability of providing services in rural areas, an attractive solution appears to be one which offers multiple service facility at low costs. A rural network based on the extensive optical fibre network, using Internet Protocol and offering a variety of services and the availability of open platforms for service development, viz. the Next Generation Network, appears to be an attractive proposition. Fibre network can be easily converted to Next Generation network and then used for delivering multiple services at cheap cost.

1.3. Company profile

Back Ground

The Indian telecom sector continued its robust growth with the wireless market growing at 9.91 percent and churning revenues worth Rs.371 billion (Rs.37, 196 cr.) for the second quarter ending September, an official agency said Tuesday. A total of 28.44 million subscribers were added in this quarter, the Telecom Regulatory Authority of India (TRAI) said in a statement. The adjusted gross revenue (AGR) for the quarter is placed at Rs.273 billion (Rs.27, 357 cr.) as against Rs.26, 990 cr. (Rs.269 billion) for the previous quarter, thereby showing an increase of 1.36 percent. "The total subscriber base of the wire line and wireless services reached 353.66 million for the quarter ending September as against 325.79 million for the quarter ending June, thus registering an increase of 8.55 percent during the quarter," it said. The tele-density too reached 30.64 in the September quarter as compared to 28.33 for the previous quarter, TRAI said. Though the wireless subscribers increased from 286.87 million to 315.31 million, the wire line subscriber base decreased for the quarter to 38.35 million from 38.92 million in quarter ending June. However, the average revenue per user (ARPU) for GSM subscribers, all India segment, decreased 7.53 percent from Rs.239 in June to Rs.221 in September. ARPU for postpaid service showed a decline of 2.8 percent from Rs.600 to Rs.584 during the quarter. Prepaid service also showed a 7.5 percent decline in ARPU from Rs.204 in June to Rs.189, TRAI said. As regards the CDMA segment, all India blended ARPU (per month) for the second quarter is Rs.122 as compared to Rs.139 for the previous quarter.

The internet wire line subscribers witnessed a growth of 12.24 million for the quarter against 11.66 million during the previous quarter registering a growth of 4.97 percent. State-run telecom operator Bharat Sanchar Nigam Ltd. (BSNL) retained its top position and reported a subscriber base of nearly 6.38 million internet subscribers against 5.94 million at the end of last quarter, TRAI said. The second quarter also witnessed a spurt in number of free-to-air (FTA) and pay channels being carried by the cable

networks for television. Currently, there are 161 FTACHannels and 129 pay channels as reported by 19 broadcasters/their distributors at the quarter ending September. Though the telecom industry saw various ups and downs, the sector witnessed international investor community betting on the Indian market.

About Bharti Airtel

Bharti Airtel was formerly known as Bharti Tele-Ventures Limited (BTVL) is India's largest GSM mobile operator with more than 100 million mobile subscribers as of May 15 2009. It also offers fixed line services and broadband services. It offers its mobile services under the Airtel brand and is headed by Sunil Mittal. The company also provides telephone services and Internet access over DSL in 14 circles. The company complements its mobile, broadband & telephone services with national and international long distance services. It also has a submarine cable landing station at Chennai, which connects the submarine cable connecting Chennai and Singapore. Airtel also has services for their corporate customer like end-to-end data and enterprise services to the customers through its nationwide fiber optic backbone, last mile connectivity in fixed-line and mobile circles, VSATs, ISP and international bandwidth access through the gateways and landing station. The Company complements its mobile and broadband & telephone services with national and international long distance services. It has over 35,016 route kilometers of optic fiber on its national long distance network. For international connectivity to east, it has a submarine cable landing station for international connectivity to the west, the Company is a member of the South East Asia-Middle East-Western Europe – 4 (SEA-ME-WE-4) consortiums along with 15 other global telecom operators. Airtel is a brand of telecommunication services in India operated by Bharti Airtel. Airtel is the largest cellular service provider in India in terms of number of subscribers. Bharti Airtel owns the Airtel brand and provides the following services under the brand name Airtel: Mobile Services (using GSM Technology), Broadband & Telephone Services (Fixed line, Internet Connectivity (DSL) and Leased

Line), Long Distance Services and Enterprise Services (Telecommunications consulting for corporate). Bharti Airtel since its inception has been at the forefront of technology and has steered the course of the telecom sector in the country with its world class products and services. The businesses at Bharti Airtel have been structured into three individual strategic business units (SBU's) - Mobile Services, Airtel Telemedia Services & Enterprise Services. The mobile business provides mobile & fixed wireless services using GSM technology across 23 telecom circles while the Airtel Telemedia Services business offers broadband & telephone services in 94 cities. The Enterprise services provide end-to-end telecom solutions to corporate customers and national & international long distance services to carriers and all these services are provided under the Airtel brand.

About Mr. Sunil Bharti Mittal

Sunil Bharti Mittal, founder, Chairman and Managing Director of Bharti Group can be labeled as the most ambitious telecom entrepreneur in India. Sunil a former student of Harvard Business School graduated from Punjab University. The son of a parliamentarian, Sunil did not want to follow his father's footsteps. He had shown an interest in business even from his teenage days. So after graduation, Sunil got together with his friend and formed a small bicycle business with borrowed capital in the 1970s. But by 1979, he realized that this business would remain small. So he moved out of Ludhiana, spent a few years in Mumbai and in 1981, was running an import and distribution operation out of New Delhi and Mumbai. By 1982, Mittal had started a full-fledged business selling portable generators imported from Japan and that gave him the chance to involve himself in activities like marketing and advertising. Things went smoothly until the government banned the import of generators as two Indian companies were awarded licenses to manufacture generators locally. Sunil Mittal got interested in push button phones while on a trip to Taiwan, and in 1982, introduced the phones to India, replacing the old fashioned, bulky

rotary phones that were in use in the country then. Bharti Telecom Limited (BTL) was incorporated and entered into a technical tie up with Siemens AG of Germany for manufacture of electronic push button phones. By the early 1990s, Mittal was making fax machines, cordless phones and other telecom gear. The turning point came in 1992 when the Indian government was awarding licenses for mobile phone services for the first time. One of the conditions for the Delhi cellular license was that the bidders have some experience as a telecom operator. Mittal clinched a deal with the French telecom group Vivendi. Two years later, Sunil secured rights to serve New Delhi. In 1995, Bharti Cellular Limited (BCL) was formed to offer cellular services under the brand name Airtel. Within a few years Bharti became the first telecom company to cross the 2-million mobile subscriber mark. The company is also instrumental in bringing down the high STD/ISD, cellular rates in the country by rolling out the country's first private national as well as international long-distance service under the brand name India One. In 2001, the company entered into a joint venture with Singapore Telecom International for a \$650-million submarine cable project, the country's first ever undersea cable link connecting Chennai in India and Singapore. In spite of his deep involvement in work, Mittal the man is calm, seldom ruffled and very down to earth. He says he achieves a sense of detachment and peace with regular practice of yoga. He is thankful for a supportive family including a daughter and twin sons, with whom understandably he doesn't get much time to spend. His brothers Rakesh and Rajan are also with him in the business.

Board of Directors

Sunil Bharti Mittal is the Founder Chairman and Group CEO of Bharti Enterprises headquartered at New Delhi, India. Bharti Enterprises is one of India's leading business groups with interests in telecom, financial services, retail, manufacturing, and agri business.

Mr. Rajan Bharti Mittal

is the Managing Director of Bharti Enterprises and Group Lead Director of Bharti Wholesale and Retail Business. He is actively involved in overseeing the activities of the Group at the corporate level and has rich experience in the field of marketing and brand management.

Mr. Akhil is the Deputy Group CEO and Managing Director of Bharti Enterprises and a Director of Bharti Airtel Limited. He has been closely associated with a range of strategic, financial, mergers and acquisitions and business performance issues of the group.

Mr. Rakesh Bharti Mittal is the Vice-Chairman of Bharti Enterprises and the Vice Chairman and Managing Director of Bharti TeleTech. He is also the Vice-Chairman of Bharti Enterprises and the Vice Chairman and Managing Director of Bharti TeleTech.

Chua Sock Koong joined Singtel in June 1989 as Treasurer. She was appointed Chief Financial Officer in 1999, with responsibility for the Group's financial functions, including treasury and risk management.

Mr. N Kumar has been an independent director and member of the Audit Committee since 2001. He was elected Chairman of the Audit Committee in August 2003. N Kumar is the Vice-Chairman of The Sanmar Group, a well known Industrial Group in India that has interest in Chemicals, Engineering and Shipping.

Mr. Craig Ehrlich has served for many years as the Chairman of the GSMA, GSH global telecom association. He joined Hutchison Whampoa in 2003 as a board member of Hutchison Telecommunication Group and advises the group 3G and 2G businesses worldwide.

Mr. Mauro Sentinelli (61 years) is a doctorate in electronic engineering from the University of Rome. He holds a Masters degree in Telephony from Turin University and MBA's from Insead and Kellogg.

Mr. Paul O'Sullivan is a nominee of Singtel and has been a non-executive director of Bharti Airtel since April 2004. He is also a member of the Board HR and ESOP Compensation Committees.

Mr. Pulak Chandan Prasad is an independent director and member of the Board Audit Committee. He initially joined the Board as a nominee of Warburg Pincus in November 2001

Mr. Bashir Abdulla Currimjee has been an independent director since February 2001. He is also the lead director among the independent directors and a member of the Board HR Committee and Board ESOP Compensation Committee.

Mr. Ajay Lal is a Director of Bharti Airtel Limited. He is a Senior Partner and Managing Director of AIF Capital. He has over 20 years experience in private equity, project finance and corporate banking. Prior to joining AIF Capital in 1997

Mr. Arun Bharat Ram has been an independent director of Bharti Airtel and a member of the Board Audit Committee since March 2006. He belongs to a leading family of industrialists, known for their philanthropy and promotion of art and culture and commenced his career with DCML Limited

Mr. Manoj is the CEO & Joint Managing Director of Bharti Airtel Limited. He heads the integrated telecom operations of entire Bharti Airtel including Mobile Services, Telemedia Services, Enterprise Services and International Operations. Prior to appointment as CEO & JMD, Manoj was the President & CEO of Bharti Airtel.

Mr. Kung Yang is presently the Vice President (Business Management), International Group in SingTel, overseeing new investment opportunities as well as existing investments in the region including Indonesia, India, Thailand, Philippines, Bangladesh, Taiwan, China and Sri Lanka

Corporate Governance

Bharti Airtel Limited firmly believes in the principles of Corporate Governance and is committed to conduct its business in a manner, which will ensure sustainable, capital-efficient and long-term growth thereby maximizing value for its shareholders, customers, employees and society at large. Company's policies are in line with Corporate Governance guidelines prescribed under Listing Agreement/s with Stock Exchanges and the Company ensures that various disclosures requirements are complied in 'letter and spirit' for effective Corporate Governance. On April 20, 2006 CRISIL re-affirmed that "During the financial year 2003-04, Bharti Airtel was assigned highest Governance and Value Creation (GVC) rating viz. 'Level 1' rating by CRISIL, which indicates that the company's capability with respect to creating wealth for all its stakeholders is the highest, while adopting sound Corporate Governance practices. To achieve the principle of Corporate Governance which will help in ensuring sustainable and long term growth, Company needs to maximize value for its shareholders, customers, employees and society at large. Following things should be kept in accordance with the effective planning-

- Human Resource Development.
- Memorandum of Association.
- Articles of Association.
- Audit Committee
- Remuneration Committee
- Board of Directors
- Investor Grievance Committee

Product Line

Mobile

Experience total cost control, no rentals and easy billing with our postpaid and prepaid services. Explore the world with our roaming services and get absolutely cool offers with Airtel Live.

Prepaid

Enter the world of limitless possibilities with Airtel Prepaid. The service that helps you give words to every feeling, an expression to every emotion.

Postpaid

Life becomes much simpler with your Airtel Postpaid. It gives you the unlimited freedom to reach out to people in your special way.

Home Phones

Experience a world class service and cutting edge technology with Airtel landline and our feature rich Wireless fixed line. What's more, calling is made more fun and convenient with services and entertainment on Airtel

1.4 STATEMENT OF THE PROBELM

Airtel has launched AirtelMoney in various cities and have some potential customers. So it necessary to know the perception of customers who use AirtelMoney currently. It also plans to launch in other markets. So it want to know the market potential in those markets.

1.5 OBJECTIVE OF THE STUDY

Primary Objective:

- To study the customer perception of Airtel Money with special reference to Coimbatore.

Secondary objectives:

- ✓ To study the features and benefits of Airtel Money.
- ✓ To identify the basic awareness towards Airtel Money.
- ✓ To study about the basic understanding about the product Airtel Money from the view point of the prospects.
- ✓ To suggest suitable promotion plans for enhancing the marketability of Airtel Money in future.

1.6 SCOPE OF THE STUDY

- ✓ For the future enhancement of the service provided.
- ✓ The intensity of competition in the telecom industry and our ability to maintain or improve our market position or responds successfully to changes in the competitive landscape.

1.7 LIMITATIONS OF THE STUDY

- The data collected is based on the questionnaires and the result will be varying according to the opinion of individual.
- Finding of the study based on the assumption of those respondents were given their true and unbiased information.
- This research was exclusively conducted for the customers in and around Coimbatore and thirupur thesils of Airtel.

CHAPTER 2

Review of Literature

Jha (2008), in his study analyzed that it is the youth which is the real growth driver of the telecommunication industry in India. Considering this fact, the paper is an attempt to give a snapshot of how frequently collected from a sample of 208 mobile phone owners, aged between 20 and 29. The study sheds light on how gender, monthly voucher amount and years of owning mobile phones influence the usage pattern of this device. Findings of the study would be helpful for the telecom service providers and handset manufacturers to formulate a marketing strategy for different market segments.

Rick (2008), This study finds that companies with sound customer strategies can use the ultimate loyalty program as a differentiator in an increasingly muddled market. In an increasingly competitive market, customer loyalty efforts can play a major part in the attraction of new customers and the retention of current ones. Marketers dealing in the telecommunication arena are established in an exciting era of industry growth. As customers' choice expand, the importance of a sound customer relationship strategy becomes more and more important for the success of the company.

Fredric (2008) analyzed the importance of yield management and discrimination pricing in telecommunication sector. Yield management is the process of allocating the right type of capacity or inventory unit to the right kind of customer at the right price so as to maximize revenue or yield. Yield management and dynamic pricing strategies could be usefully applied to preserve and increase profitability, yield management techniques can help telecom operators and similar companies to optimize the benefits they can derive from a subtle management of information networks and partnership. However, such an approach is more difficult to implement in the telecommunications industry than in the airlines sector because of the difficulty to control (and sometimes to refuse) network access to customers.

Kumar (2008), in their study titled “Customer Satisfaction and Discontentment vis-avis BSNL

Landline service: A Study “analyzed that at present, services marketing plays a major role in the national economy, In the service sector, telecom industry is the most active and attractive. Though the telecom industry is growing rapidly, India’s telecom density is less than the world’s average telecom density as most of India’s market is yet to be covered. This attracts private operators to enter into the Indian telecom industry, which makes the Bharat Sanchar Nigam Limited(BSNL) more alert to run its business and survive in the market.

Shankar (2006), this article examines the emergency of innovation and value creation for enhancing customers’ experience, as a result of increasing competition in the Indian telecom industry during the late 1990s and early 2000s. The report provides a detailed account of the evolution of the Indian telecom industry. It traces various developments in the industry before, during and after the liberalization of the Indian telecom sector. It also provides information about the increasing popularity of cellular services which led to the emergencies of several private telecom operators like Bharat Tele Ventures, Hutchison Telecom, Idea Cellular Ltd, Reliance telecom Ltd, etc.

Biscuit (2006), in his study titled “Competition in European Telecom Markets” analyzed that in recent years the European telecommunications market has witnessed major development, with rapid expansion in access to telecommunications market has witnessed major development, with rapid expansion in access to telecommunications network and a surge in the number of available services and applications. While many factors have contributed to the transformation of the telecommunications industry, competition has played a key role in driving telecom players to invest in new technologies, to innovate and to offer new services.

[1]<http://www.scribd.com/doc/25310916/project-on-Customer-Satisfaction-Towards-Mobile-Service-Providers>

[2]<http://www.scribd.com/doc/2404465/Project-Report-Reliance-Communications-Customer-Satisfaction>

[3]<http://www.scribd.com/doc/25310916/project-on-Customer-Satisfaction-Towards-Mobile-Service-Providers>

[4]<http://www.scribd.com/doc/25310916/project-on-Customer-Satisfaction-Towards-Mobile-Service-Providers>.

[5] <http://www.scribd.com/doc/15680961/Indian-Telecommunication-Project>

[6] <http://www.scribd.com/doc/25310916/project-on-Customer-Satisfaction-Towards-Mobile-Service-Providers>

RESEARCH METHODOLOGY

3.1 Type of Research

Descriptive research design is used for this study.

3.2 Data and sources of data

Primary data

The primary data was collected from respondents by administering a structured questionnaire. Questionnaire was designed in consultation with the experts of the organisation in a manner that it would facilitate the respondents to reveal maximum information

3.3 Time period covered

The time period covered for the completion of the entire project is 90 days.

3.4 Sampling techniques and Sampling size

The sampling technique used here is Systematic random sampling using telephonic interviews. Source data of the customer base was obtained from the head office and every 15th customer was contacted through phone with the basic assumption that he/she is an Airtel subscriber. Answers were directly coded and analysis is been made. From the total population, 200 consumers were chosen for study.

3.5 STATISTICAL TOOLS USED

- Descriptive statistics – percentage analysis etc..
- Mean and standard deviation.
- Weighted average method.
- One way Anova
- Correlation

CHAPTER-4

ANALYSIS AND INTERPRETATION

4.1 DESCRIPTIVE STATISTICS

Table 4.1.1. Showing the Gender & age of the respondents

S.No	Parameter	Option	Frequency	Percentage
1	Gender	Male	128	64%
		Female	72	36%
2	Age (in years)	Below 20	8	4%
		21 to 30	48	24%
		31 to 40	72	36%
		41 to 50	50	25%
		Above 50	22	11%

Inference

- From the above table it is observed that a majority of the population are male (64%).
- The population in the age limit of 21 to 50 use the airtel money services.
- This states that the age group is the target population for the company in other markets.

Table4.1.2.Showing the Nature of Occupation & income

S.No	Parameter	Option	Frequency	Percentage
3	Nature of Occupation(Business)	Sole proprietor	13	6.5%
		Partnership	22	11%
		Company ownership	33	16.5%
4	Nature of Occupation(Employee)	Senior Executive	18	9%
		Junior Executive	30	15%
	Nature of Occupation	Professional	66	33%
	Nature of Occupation	Others	18	9%
5	Monthly income:	20000 to 30000	88	44%
		30001 to 50000	68	34%
		50000 to 75000	29	14.5%
		Above 75000	15	7.5%

Inference

- A majority of population who use the Airtel Money service are professionals and they are the target customers for the Company in the new markets in which the company is planning to launch service.
- People with a monthly income ranging from 20000 to 50000 use Airtel Money service to a good effect.

Table4.1.3. Showing the awareness of respondents about Airtel Money

S.No	Parameter	Option	Frequency	Percentage
5	Net Banking Facility	Yes	189	94.5%
		No	11	5.5%
6	Aware about Airtel Money	Yes	166	83%
		No	34	17%
7	Source for awareness	Television Ads	78	39%
		Print Ads	18	9%
		Radio	36	18%
		Internet	53	26.5%
		Friends & relatives	8	4%
		Others	7	3.5%

Inference

- A majority of population are using the Net Banking facility to a good extends.
- A majority of population (83%) are aware about Airtel Money service.
- Television ads and Internet play a vital role in spreading awareness to the public.

Table 4.1.4. Showing the Features of Airtel Money

S.No	Parameters	Options	Frequency	Percentage
8	An alternative to credit card, debit cards, etc	Strongly Agree	32	16%
		Agree	102	51%
		Neutral	41	20.5%
		Disagree	15	7.5%
		Strongly Disagree	10	5%
9	An alternative to carrying cash	Strongly Agree	82	41%
		Agree	91	45.5%
		Neutral	18	9%
		Disagree	7	3.5%
		Strongly Disagree	2	1%
10	An emergency handler	Strongly Agree	22	11%
		Agree	48	24%
		Neutral	70	35%
		Disagree	48	24%
		Strongly Disagree	12	6%
11	An alternative to net banking account	Strongly Agree	48	24%
		Agree	64	32%
		Neutral	38	19%
		Disagree	32	16%
		Strongly Disagree	18	9%

INFERENCE

- A majority of population agree that Airtel Money is an alternative to credit card, debit card, carrying cash & netbanking account.
- Most of the respondents disagree that Airtel Money is an emergency handler.

Table4.1.5. Showing the services used for money transfer

S.No	Parameters	Options	Frequency	Percentage
12	Debit card	Regularly	112	56%
		Frequently	62	31%
		Occasionally	20	10%
		Rarely	6	3%
		Never	0	0%
13	Credit Card	Regularly	12	6%
		Frequently	48	24%
		Occasionally	58	29%
		Rarely	76	38%
		Never	6	3%
14	Net Banking	Regularly	54	27%
		Frequently	77	38.5%
		Occasionally	40	20%
		Rarely	18	9%
		Never	11	5.5%
15	Cash	Regularly	48	24%
		Frequently	64	32%
		Occasionally	38	19%
		Rarely	32	16%
		Never	18	9%

Inference

- A good number of people use debit cards regularly for money transfer. So Airtel Money can be positioned as an alternative for debit cards and credit cards.
- Also a good number of people use net banking very regularly. So Airtel Money can be added with more features so that it replaces net banking.

Table4.1.6. Showing the usage of Airtel money

S.No	Parameters	Options	Frequency	Percentage
16	Money handling	Exceeds expectations	51	25.5%
		Meet expectations	60	30%
		Neutral	48	24%
		Do not meet expectations	29	14.5%
		Irky	20	10%
17	Safety and security	Exceeds expectations	43	21.5%
		Meet expectations	86	43%
		Neutral	60	30%
		Do not meet expectations	8	4%
		Irky	3	1.5%
18	fulfillment of my requirements	Exceeds expectations	38	19%
		Meet expectations	63	31.5%
		Neutral	43	21.5%
		Do not meet expectations	38	19%
		Irky	18	9%

19	Tariff and service charges	Exceeds expectations	18	9%
		Meet expectations	35	17.5%
		Neutral	48	24%
		Do not meet expectations	58	29%
		Irky	41	20.5%
20	Flexibility	Exceeds expectations	60	30%
		Meet expectations	48	24%
		Neutral	51	25.5%
		Do not meet expectations	20	10%
		Irky	29	14.5%
21	Tie up arrangements	Exceeds expectations	43	21.5%
		Meet expectations	38	19%
		Neutral	63	31.5%
		Do not meet expectations	38	19%
		Irky	18	9%

Inference

- Most of the respondents are confident in using Airtel Money because it is safe and secure.
- Most of the respondents state that Airtel Money fulfils their requirements and is very flexible.
- A good number of respondents are not satisfied with the tariffs and services charges. Company can take this into account so that it can increase its customer base.

4.2. Weighted Average analysis:

Table 4.2.1. Showing the weighted average score for the 3 types of accounts in Airtel money service

S. No	Accounts	Rank			Weighted average	Rank
		1	2	3		
1	Express account	40	92	68	2.14	3
2	Power account	92	68	40	1.74	1
3	Super account	68	40	92	2.12	2

Inference

- Most of the respondents are aware and are using power account for their transactions.
- Super account and Express account also have a good customer base.

Table 4.2.2. Showing the weighted average score for the purpose to use Airtel Money

S. No	Parameter	Rank				Weighted average	Rank
		1	2	3	4		
1	Recharge	75	65	40	20	2.025	1
2	Payment of Bills	65	75	20	40	2.175	2
3	Shopping	40	20	75	65	2.825	4
4	Money transfer	20	40	65	75	2.65	3

Inference

- Airtel Money is most widely used to Recharge by the respondents.
- A good number of respondents use Airtel Money for payments of bills and for shopping.
- From the table it is found that the respondents are not very confident in using airtel money for money transfer.
- So the company can encourage more people to do money transfer through Airtel Money.

4.3 Correlation

Table 4.3.1. Showing the Correlation between what is airtel money, Money transfer, Airtel Money service & usage.

Parameters		Mean	SD	AMmean	Sermean	AMSmean	Usagemean
AMmean	Pearson Correlation	2.5150	.68712	1			
Sermean	Pearson Correlation	2.1950	.49821	.146*	1		
AMSmean	Pearson Correlation	2.5500	.66310	.456**	.252**	1	
Usagemean	Pearson Correlation	2.9900	.96152	.076	.067	-.054	1

Inference

- From the above table it is found that AMS mean shares a high degree of relationship with AM mean. And also AMS mean shares fairly high degree of relationship with Sermean.
- It is also found that the variable Usage mean is negatively correlated with the variable AMS Mean.

4.4 Chi-square test:

Table 4.4.1. Showing the association between age and awareness about airtel money

H₀: There is no association between age and nature of occupation

H₁: There is association between age and nature of occupation

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.019 ^a	4	.285
Likelihood Ratio	4.636	4	.327
Linear-by-Linear Association	4.070	1	.044
N of Valid Cases	200		

Inference:

- The significance value is greater than 0.05 hence the null hypothesis is accepted.
- Thus there is no association between age and nature of occupation

Table 4.4.2. Showing the association between age and awareness about airtel money

H₀: There is no association between age and nature of occupation

H₁: There is association between age and nature of occupation

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.539 ^a	6	.739
Likelihood Ratio	3.964	6	.682
Linear-by-Linear Association	.537	1	.464
N of Valid Cases	200		

Inference

- The significance value is greater than 0.05 hence the null hypothesis is accepted.
- Thus there is no association between age and nature of occupation

4.5 One way ANOVA

Table 4.5.1. Showing the association between age and services airtel money

		Sum of Squares	Df	Mean Square	F	Sig.
AMmean	Between Groups	4.581	4	1.145	2.499	.044
	Within Groups	89.374	195	.458		
	Total	93.955	199			
Sermean	Between Groups	.320	4	.080	.318	.866
	Within Groups	49.075	195	.252		
	Total	49.395	199			
AMSmean	Between Groups	1.792	4	.448	1.019	.398
	Within Groups	85.708	195	.440		
	Total	87.500	199			
Usagemean	Between Groups	4.824	4	1.206	1.313	.267
	Within Groups	179.156	195	.919		
	Total	183.980	199			

Inference

One way Anova was performed to test the hypothesis that the Airtel Money service and usage facilities of the company with the Genders were equal. It can be seen that the age and the service have a significance. But the services used, services provided by Airtel Money service and the usage do not have the significant difference.

Table 4.5.2. Showing the association between nature of occupation and services airtel money

		Sum of Squares	df	Mean Square	F	Sig.
AMmean	Between Groups	.185	1	.185	.391	.533
	Within Groups	93.770	198	.474		
	Total	93.955	199			
Sermean	Between Groups	.792	1	.792	3.225	.074
	Within Groups	48.603	198	.245		
	Total	49.395	199			
AMSmean	Between Groups	.420	1	.420	.955	.330
	Within Groups	87.080	198	.440		
	Total	87.500	199			
Usagemean	Between Groups	2.293	1	2.293	2.499	.115
	Within Groups	181.687	198	.918		
	Total	183.980	199			

Inference

One way Anova was performed to test the hypothesis that the Airtel Money service and usage facilities of the company with the Genders were equal. It can be seen that there is a difference in opinion in what people think about Airtel Money, services used, services provided by Airtel Money service and the usage do not have the significant difference.

Table 4.5.3. Showing the association between nature of occupation and services airtel money

		Sum of Squares	df	Mean Square	F	Sig.
AMmean	Between Groups	4.581	4	1.145	2.499	.044
	Within Groups	89.374	195	.458		
	Total	93.955	199			
Sermean	Between Groups	.320	4	.080	.318	.866
	Within Groups	49.075	195	.252		
	Total	49.395	199			
AMSmean	Between Groups	1.792	4	.448	1.019	.398
	Within Groups	85.708	195	.440		
	Total	87.500	199			
Usagemean	Between Groups	4.824	4	1.206	1.313	.267
	Within Groups	179.156	195	.919		
	Total	183.980	199			

Inference

One way Anova was performed to test the hypothesis that the Airtel Money service and usage facilities of the company with the Genders were equal. It can be seen that there is a significant difference between the nature of occupation and services provided by Airtel Money.

CHAPTER 5

Findings, Suggestions and Conclusion

5.1 Findings

- The population in the age limit of 21 to 50 use the airtel money services the most.
- This states that the age group is the target population for the company in other markets.
- A majority of population who use the Airtel Money service are professionals and they are the target customers for the Company in the new markets in which the company is planning to launch service.
- People with a monthly income ranging from 20000 to 50000 use Airtel Money service to a good effect.
- A majority of population are using the Net Banking facility to a good extends.
- A majority of population (83%) are aware about Airtel Money service.
- Television ads and Internet play a vital role in spreading awareness to the public.
- A majority of population agree that Airtel Money is an alternative to credit card,debit card, carrying cash & netbanking account.
- Most of the respondents disagree that Airtel Money is an emergency handler.
- A good number of people use debit cards regularly for money transfer. So Airtel Money can be positioned as an alternative for debit cards and credit cards.
- Also a good number of people use net banking very regularly. So Airtel Money can be added with more features so that it replaces net banking.
- Most of the respondents are confident in using Airtel Money because it is safe and secure.
- Most of the respondents state that Airtel Money fulfils their requirements and is very flexible.

- A good number of respondents are not satisfied with the tariffs and services charges. Company can take this into account so that it can increase its customer base.
- Most of the respondents are aware and are using power account for their transactions.
- Super account and Express account also have a good customer base.
- Airtel Money is most widely used to Recharge by the respondents.
- A good number of respondents use Airtel Money for payments of bills and for shopping.
- From the table it is found that the respondents are not very confident in using airtel money for money transfer.
- So the company can encourage more people to do money transfer through Airtel Money.

Findings from Weighted Average analysis:

- Most of the respondents are aware and are using power account for their transactions.
- Super account and Express account also have a good customer base
- Airtel Money is most widely used to Recharge by the respondents.
- A good number of respondents use Airtel Money for payments of bills and for shopping.
- From the table it is found that the respondents are not very confident in using airtel money for money transfer.
- So the company can encourage more people to do money transfer through Airtel Money.

Findings from Corellation:

- From the above table it is found that AMS mean shares a high degree of relationship with AM mean. And also AMS mean shares fairly high degree of relationship with Sermean.
- It is also found that the variable Usage mean is negatively correlated with the variable AMS Mean.

5.2 Suggestions

1. Among the respondents most of the users of Airtel Money service are Professionals. So the Company can target those people when entering new markets.
2. The Company can target the other people by offering schemes and new service which better suit them.
3. Most of the customers are not very comfortable with the tariffs and service charges. If this is taken care of the company retaining of customers will be possible.
4. People with the income between 20000 to 50000 can be targeted when it enters into new market.

5.3 Conclusion

In this study we understood that the customers are satisfied with the current services provided by Airtel Money. This study also reveals that Airtel Money service have an market potential in other emerging markets. This study also reveals how customers position Airtel Money in their mind. Finally it gave me an insight about what services are used mostly by the customers.

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Customer Perception about Airtel Money

1. Name :

2. Gender :

a. Male

b. Female

3. Age (in years)

a. Below 20

b. 21 to 30

c. 31 to 40

d. 41 to 50

e. Above

50

4. Nature of Occupation

a. Business

i] Sole proprietor

ii] Partnership

iii] company ownership

b. Employee

i] Senior Executive - Government – Corporate - Public – Private

ii] Junior Executive - Government – Corporate - Public – Private

c. Professional

d. Others (Please specify)

5. Monthly income:

a. 20000 to 30000

b. 30001 to 50000

c. 50000 to 75000

d. Above 75000

6. Do you have net banking facility?

a. Yes

b. No

7. Are you aware about Airtel Money?

a. Yes

b. No

7.a) If YES, How do you come to know about Airtel Money?

a. Television Ads

b. Print Ads

c. Radio

d. Internet.

e. Friends & relatives

f. others (please specify)

8. According to you what is Airtel money?

S.no	Parameters	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1	An alternative to credit card, debit cards, etc					
2	An alternative to carrying cash					
3	An emergency handler					
4	An alternative to net banking account					

A19. What services do you use for money transfer?

S.no	Services	Regularly	Frequently	Occasionally	Rarely	Never
1	Debit card					
2	Credit Card					
3	Net Banking					
4	Cash					

10. Rank the awareness of the 3 types of accounts in Airtel money service?

S.No	Accounts	Rank
1	Express account	
2	Power account	
3	Super account	

11. Please rate the airtel money service

S.no	Parameters	Strongly Agree	Agree	neutral	disagree	Strongly disagree
1	I am satisfied with the current service I use for money transaction					
2	I am aware about all the services in AirtelMoney					
3	I often use AirtelMoney					
4	I am confident in using AirtelMoney					
5	I use AirtelMoney for Time Saving					
6	I am satisfied using AirtelMoney than using other services					
7	AirtelMoney is more user friendly than other service providers					
8	AirtelMoney is Trust worthy					
9	AirtelMoney offers cost value benefit					

10	Airtel money is better than all other forms of monetary accounts					
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13. For what purpose do you use Airtel Money very Often

S.No	Parameter	Rank 1	Rank 2	Rank 3	Rank 4
1	Recharge				
2	Payment of Bills				
3	Shopping				
4	Money transfer				

14. Rate the following about the usage of Airtel money

s.no	Parameters	Exceeds expectations	Meet expectations	Neutral	Do not meet expectations	Irky
1	Money handling					
2	Safety and security					
3	Fulfillment of my requirements					
4re	Tariff and service charges					
5	Flexibility					
6	Tie up arrangements					

15. What other features do you wish AirtelMoney should have