

## Why do customers leave?



Increased competition between mobile network operators' (MNO's) data package offerings has made customer retention paramount. Essentially, the first step to retaining customers is to determine what makes them initially decide to switch to another MNO. This may help MNOs develop strategies that keep their customers satisfied and retain them in the future. A customer's decision to switch takes into account various factors, which may include switching costs, alternative attractiveness and the relationship that customers have with their service provider.

Research was conducted by Daniel Moxham, a [Master's](#) student in the [Department of Marketing Management](#), to investigate the influence of relationship satisfaction, switching costs and alternative attractiveness on customer switching intention, to gain insight into questions pertaining to the retention of customers in the mobile telecommunications industry. These constructs were tested on 113 usable responses that were collected via a hard copy, self-administered survey questionnaire.

The study was based on Bansal, Taylor and St. James' (2005) push-pull-mooring (PPM) model, within the framework of migration theory, to test the influence of relationship satisfaction, switching costs and alternative attractiveness on customer switching intention. In this study, relationship satisfaction between the customer and the MNO is regarded as the push factor in the PPM model, which together with alternative attractiveness (the pull factor), and switching costs (the mooring factor), influence customer switching intention.

The findings indicated that customer relationship satisfaction, the alternative attractiveness of another MNO and the switching costs associated with switching to another MNO all influence customer intention to switch from their current MNO to another. However, relationship satisfaction was the strongest predictor of switching intention. The researcher proposes that managers from competing MNO's concentrate their strategic efforts on improving their relationship with their current customers in order to improve their customer's relationship satisfaction which could become a switching barrier to the customer.

*This research was conducted in 2016 by Daniel Moxham, in partial fulfilment of the [Master's degree](#) in Marketing Management in the [Department of Marketing Management](#), under the supervision of [Dr M.C. van der Merwe](#).*