

## Mobile data makes the world go round



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Staying loyal to one mobile network operator (MNO) is a thing of the past. More than 58 486 South Africans are switching their mobile operators per month for various reasons including more affordable data bundles. When customers move from one mobile operator to another, mobile operators face the risk of possibly losing their customers for good. The thought of customers leaving a MNO and moving to a competing MNO is something that should not be taken lightly, as this could possibly mean that customers have unmet needs.

A research study was conducted by Navisha Naidoo, a [Master's](#) student in the [Department of Marketing Management](#), to investigate whether relationship satisfaction, peer influence, switching costs and alternative attractiveness are predictors of switching intention in customers with a data package contract, within the South African mobile telecommunications industry. This study made use of the theory of migration and the Push-Pull-Mooring (PPM) model as its theoretical underpinning. A total of 180 valid responses were collected through the use of a structured online questionnaire that was distributed to a sample of customers via e-mail.

The results from this study revealed that peer influence, switching costs and alternative attractiveness are significant predictors of switching intention. If respondents did not have any knowledge regarding certain data packages, they turned to their friends and family for guidance. If respondents considered switching their MNOs, they took into account the compensation for breach of contract they

would have to pay, as well as the quality of service they would possibly receive from the potential MNO, such as signal strength. In addition, the results indicated that relationship satisfaction had no influence on the respondents as they did not expect to remain with their current MNO for the foreseeable future regardless of their long-standing relationship with their current MNO.

It is imperative for marketing managers in the mobile telecommunications industry to gain an in depth understanding of customers' motives to switch their MNO. This knowledge empowers marketing managers to identify controllable switching factors, in order to enable their organisation to counter the risks of losing customers and the long-term profitability loss associated with customers migrating to a competing MNO.

*This research was conducted as part of the fulfilment of the [Master's degree](#) in Marketing Management in 2017 with the [Department of Marketing Management](#) by Navisha Naidoo under the supervision of [Dr. M.C. van der Merwe](#).*