

## The great (customer) migration



South African mobile data usage is expected to grow by 63% between 2014 and 2019 (Cisco, 2015). This increase in data usage has forced mobile network operators (MNOs) to compete aggressively by offering various competitive data products to customers. Losing post-paid (contract) subscribers may have a dire effect on the financial well-being of MNOs because post-paid customers represent a relatively predictable source of revenue, given that they cannot terminate contracts at their whim like pre-paid users. Thus a deeper understanding of the factors that may entice post-paid customers to switch could assist MNOs to proactively address these factors and, in-so-doing, protect this predictable and profitable base.

A study was conducted by Nkosingiphile Cedric Shabangu, a [Master's](#) student in the [Department of Marketing Management](#), to explore the factors that may cause post-paid subscribers to switch between MNOs, in search of better data packages. The study was based on Bansal, Taylor and St. James' (2005) push-pull-mooring (PPM) model, within the framework of migration theory. The study investigated the influence of relationship satisfaction, alternative attractiveness and switching costs on the switching intention of 151 contract holders residing in South Africa. Data were collected using an online self-administered survey.

The findings of the study revealed that two factors, alternative attractiveness and relationship satisfaction, are significant predictors of switching intention. Alternative attractiveness pulls customers to another MNO, while a lack of relationship satisfaction pushes customers away from their current MNO.

The results emphasise the need for marketers to understand and manage all elements that influence alternative attractiveness and relationship satisfaction in the eyes of their customers. Marketing practitioners in the mobile telecommunications industry are urged to constantly assess the competitive attractiveness of their competitors and the satisfaction of their customers in order to remain a contender in the MNO industry and data package market.

*This research was conducted by Nkosingiphile Cedric Shabangu in 2016, 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](#).*