

CONSUMER ATTITUDES AND CHOICE BEHAVIOUR: A STUDY OF MOBILE TELECOMMUNICATION SERVICE USERS

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Received: 9 May 2020

Received in revised form: 31 May 2020

Accepted: 31 May 2020

Published : 15 June 2020

Abstract

Persistent and increasing technological development has changed the pattern of life over the course of several decades. In fact, this phenomenon has shrunk the world, especially, in terms of transportation and communication to such an extent that the world is now seen as a global village. Mobile phone communication is one of the most important communication means in the modern human life. Since its advent, it has touched and impacted on almost every aspects of our daily life: ranging from family communication, to social interaction, to business transaction and so on. Nonetheless, service providers in the telecommunication industry face challenges of competition. Therefore, this paper intends to investigate consumers' attitude and behaviour towards choosing mobile phone service providers. The review explores consumption value theory to determine the effect of network value, conditional value, emotional and epistemic value on attitude. Moreover, the paper also examines the mediating role of attitude between the consumption values and behaviour.

Keywords: Mobile phone users, Consumption values, Attitude, Consumer behaviour

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1.0 INTRODUCTION

Persistent and increasing technological development has changed the pattern of life over the course of several decades. In fact, this phenomenon has shrunk the world, especially, in terms of transportation and communication to such an extent that the world is now seen as a global village (Asongu & Nwachukwu, 2018; Cantwell & Zaman, 2018). Hence, mobile phone communication is one of the most important communication means in the modern human life. Since its advent, it has touched and impacted on almost every aspects of our daily life: ranging from family communication, to social interaction, to business transaction and many more.

Mobile phone service is now used as an important means of accessing news and information. Many scholars and students use their mobile phone services to search for study materials on various internet data bases. Moreover, such services enable a lot of consumers to enjoy diverse activities such as entertainment, education, socialization and many more at a relatively more convenient and fast ways.

The use of mobile phone services is growing fast all over the world. Hence, it is considered as one of the recent technological developments that gained ubiquitous acceptance. However, the pattern and composition of the services used by consumers may vary among countries depending on the level of economic development and social and cultural settings. Thus, the stages and adoption rate of the services differ.

Telecommunication service providers, like any other service provision organizations, do encounter challenges of defection from customers (Wong, Chang, & Yeh, 2019). Such phenomenon has to be viewed and analysed critically by organizations. Significant defection of customers from any organization can threaten the profitability of that organization. If such trend is not addressed appropriately, it can even lead to bankruptcy of that organization.

Consequently, necessary actions have to be taken by service providers to ensure that customers are satisfied and remain loyal to their services. The service providers have to exert sufficient effort to guard against any issue that may lure their customers to other competitors. In essence, every service provider is expected to be creative enough to attract new customers to their organizations rather than losing existing ones to competitive forces.

However, such ability is not easily forthcoming. The market environment is getting more saturated and competition is fierce. Thus, service providers have to be keen on understanding their working environment. They have to be apt and quick in understanding the behavioural tendencies of consumers. This will enable them to fully utilize available opportunities and to prepare ahead of any pending situations which could be used profitably.

Although there have been many researches on mobile phone services in relation to consumer behaviour (Chou & Chen, 2018; Moreira, Silva, & Moutinho, 2016; Edward & Sahadev, 2011), those researches do have some limitations that need to be investigated further. For example, a study has been conducted by Adekunle & Ejechi (2018) on modelling consumer repurchase intention in relation to service quality and user satisfaction. However, the focus of their study was on smart phone devices not the network services received per se. Again, Quoquab, Mohammad, Yasin, & Abdullah (2018) examined four factors (service quality, customer satisfaction, switching cost, and consumer innovativeness) affecting customer switching intention in the Malaysian mobile phone service industry. Their survey revealed that three of the factors had effect on customer switching intention with the exception of one (service quality) which showed no

significant relationship with service switching intention. Their study also supported the mediating effect of customer satisfaction and the moderating effect of switching cost. Earlier, Yang & Jolly (2009) examined cultural differences among nations to explain why consumers behave differently towards using mobile data services. Specifically, the study was conducted between Korean and American consumers. The result showed that the effects of social and monetary values on consumer attitude of the two countries differed. Furthermore, the study revealed that functional value had more dominant effect on Korean consumers' attitude than on American consumers.

So far, based on the searches made on the previous literatures, there is no adequate discussion on why consumers subscribe to more than one service provider at a time, especially, in developing nations. Thus, it is in light of this gap that this conceptual paper intends to investigate consumers' attitude and behavior towards choosing mobile phone service providers. The review explores consumption value theory to determine the effect of network value, conditional value, emotional and epistemic value on attitude. Moreover, the paper also examines the mediating role of attitude between the consumption values and behaviour.

■ 2.0 LITERATURE REVIEW

Theoretical Background

Consumer behavioural intention has been a topic of keen interest to researchers in various academic fields like psychology, marketing, business and economics (Bridger & Wood, 2017; Ajzen, 1991). Peter & Olson (2010 p.5) defined consumer behaviour as "... the thoughts and feelings people experience and the actions they perform in consumption process". There are variety of factors that influence consumer behaviour, for example, rate of available competition, consumers' own makeup, norms and beliefs of the cultural environment, etc (Yang & Jolly, 2009). Therefore, this review examines consumer attitude and behaviour by integrating two theories in the development of the study framework. One is the Stimulus-Organism-Response (S-O-R) theory which was developed by environmental psychologists Mehrabian and Russell, as has been used in many related studies (Cho, Lee, & Yang, 2019; Phan & Pilik, 2018; Wu & Li, 2018) and the other is consumption value theory as proposed by Sheth, Newman, & Gross, (1991). The S-O-R theory shows the path or flow of the variables in the framework. And the component of the variables of the framework adopts consumption value theory. Figure 1 below represents the conceptual framework.

In the S-O-R theory, the stimulus represents the input of the behavioural process. It is the first attributes of an offer that are aimed at influencing consumer actions. Hence, this paper adopts the variables of the consumption value theory as its stimuli (inputs). Organism is the stage at which the inputs are digested and then attitude is formed. Finally, the response stage represents the outcome of the inputs (organism stage). That is when attitude is formed as a result of assimilating a given set of stimuli, it may later transform into behaviour. Thus, the response is represented by subscription behaviour in the framework.

Besides, in the consumption value theory, it was projected that five consumption values are the key reasons why consumers respond differently to any product offer (Sheth et al., 1991). These values include functional value, conditional value, social value, emotional value, and epistemic value. In light of these values they also gave three assumptions to guide the consumer decision process. One is that a decision is influenced by multiple values. Another is that the values have different influence on any given decision. Lastly, the values are independent of each other.

Furthermore, in the quest for exploring consumer behaviour, many researchers have applied consumer perceived value in different ways as antecedents in their studies (Wong et al., 2019; Quoquab et al., 2018; McLean, 2018; Sweeney, Soutar, & Johnson (1999). For instance, Yang & Jolly (2009) used consumer perceived value as determinant factors about mobile data usage and they defined it as "...a user's overall assessment of the utility of the mobile data service". Thus, consumption value can be explained as the degree of importance or worth a consumer attaches to certain attributes of a product or service in the process of possessing or using it. The value can be material or psychological. Hence, it is imperative on organizations to look out for ways that can enable them enhance their strategies of doing business. Organizations need to develop sustainable competitive advantage by providing superior value to customers (El-manstrly, 2016; Ravald & Grönroos, (1996).

Mobile Phone Service Users

Information and communication technology are important factors that can shape the growth and development of a nation in the modern world. It is a tool which can be used effectively to achieve economic competitive advantage. Specifically, the emergence of mobile telecommunication services is a phenomenal innovation of the last few decades. Mobile Telecommunication service is a wireless access to telephone and internet services through the use of mobile devices such as mobile phones, smart phones, laptops etc. Mobile phone service users are the consumers who subscribe to the services of the telecommunication companies. Many organizations and individuals are taking advantage of this opportunity in pursuing their varied needs. Though, at its early years, it is mainly used for voice calling and messaging, nowadays the trend is expanding and shifting more towards internet services as well. However, in many developing countries still its main usage is voice calling and messaging (Shafei & Tabaa, 2016).

Mobile phone service providers have been gaining tremendous acceptance and adoption from consumers since its emergence. Interestingly, it has become a ubiquitous service which is offered in every part of the world. Various companies are now investing in the business sector in different ways. Some are investing in the provision of Global System of Mobile Phone Services (GSM), while others are providing Code Divisional Mobile Access (CDMA) services. Consequently, competition became visible in the sector. Companies are struggling to get competitive edge against their competitors by attracting more customers to their services. Thus, the study of consumer behaviour towards the services is important for the service providers to get more insights about the values (utilities) that interest the consumers most.

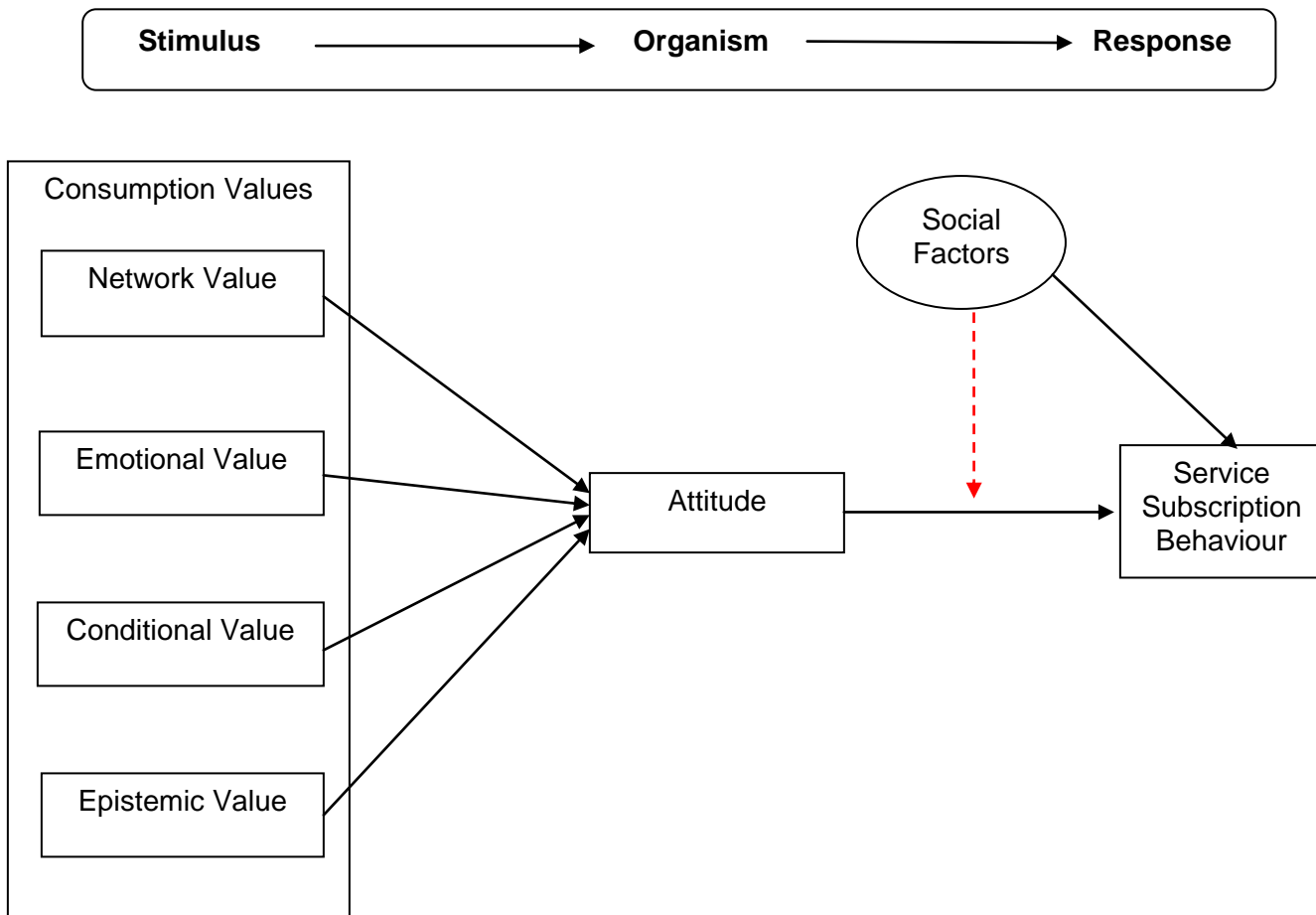


Figure 1: Conceptual framework

Network Value

Every product or service may have a variety of features and characteristics upon which consumers may assess its value. Consumers would want to know how useful an offer would be in solving their needs and wants. Therefore, network value relates to the perceived utility of the telecommunication service network in terms of its quality and performance. Thus, it was stated that “the perceived utility acquired from an alternative’s capacity for functional, utilitarian, or physical performance is, traditionally, presumed to be the primary driver of consumers’ choice” (Sheth et al., 1991). Consequently, consumers have different expectations about companies’ products and services. The strength of consumers’ perception on the usefulness of a company’s offer in solving their specific problem of interest will influence their behavioural intentions.

Accordingly, it is important for organizations to identify the primary motives behind consumers’ use of a product or service. Consumers of mobile telecommunication services may be interested in assessing a number of network choice attributes such connectivity, voice clarity, service charge, stability, and a range of services offered. Understanding the significance of the choice attributes will enable the service providers to tailor their offers in such a way that can meet consumers’ expectations. When expectations are met, consumers will be motivated to patronize the company’s services. Otherwise, they will seek to explore other options that can serve their needs better.

With regard to network value’s influence on consumer decisions, previous researches have indicated varied results. For example, in a study conducted by Yang & Jolly (2009) it was revealed that functional value has stronger effect on Korean consumer attitude than on American consumer attitude. Likewise, another study found that network quality and pricing structure have direct significant effect on consumer decision (Shafei & Tabaa, 2016). This finding goes in line with an investigation which indicated that service reliability directly predicts customer loyalty (Izogo, 2017). Nevertheless, a study showed different result, indicating no significant link between service quality and customer intentions (Quoquab et al., 2018). One possible explanation for such result might be the performance of the competing companies with regard to the perceived service quality among consumers is at relatively close range.

Emotional Value

Consumers experience diverse emotional state in the course of satisfying their needs. These emotional states can be positive or negative. Consumer perception towards a company and its offers may be favourable or unfavourable, good or bad, warmth or disgust (Peter & Olson, 2010). Therefore, emotional value is the ability of the service offered to arouse affective state in consumers. Producing strong favourable affect is a key interest of service providers. Whenever a consumer receives service, it is expected that the service offered gives him some level of satisfaction. If the service meets his/her expectation it is likely that the consumer evokes favourable feeling like joy, love, warmth. However, if the service falls short of his/her expectation the feelings generated might be anger, dislike, sadness, distrust etc. These emotional states do have significant influence on consumers' purchase decisions.

Epistemic Value

Consumers buy a product or service on different motives. One of such motives can be epistemic value. Epistemic value is defined as “the perceived utility acquired from an alternative's capacity to arouse curiosity, provide novelty, and /or satisfy a desire for knowledge” (Sheth et al., 1991). Consumers would want to experience an offer if it is made in an attractive way. Thus, it is important for service providers to study target customers to identify the issues which can ignite their curiosity. Levels of satisfaction and consumer desire for new knowledge are important cues for getting insights about consumer behavioural tendencies.

Thus, it is possible that consumers might be in one of the following situations. One is that consumers might be totally seeking for a new experience. These types of consumers are great opportunity for business. Hence, a company has to present its offer and convince the consumers that it is the best offer to serve the experience sought. Again, consumers might be having some satiable experience but not strong enough to hold their loyalty. This situation is also a good business opportunity but tougher than the first one, where consumers are out rightly seeking new experience. Here, a company has to struggle diligently to convince consumers that its offer is the best options for their needs. Another condition of consumers is that their needs are subliminal. This is the hardest business opportunity to explore as compared to the two earlier mentioned. Therefore, a company has to create awareness about the existence of the problem. This situation is usually accompanied by higher business cost and uncertainties. However, if successfully explored, such situation may have high profit potentials.

Conditional Value

Consumer decision making is affected by the context within which the decision is being made. Thus, circumstances that surround the use of products or services do influence the perceived utility of the product which ultimately leads to the acceptance or rejection of the product or service. Therefore, conditional value is “the perceived utility acquired by an alternative as the result of the specific situation or set of circumstances facing the choice maker” (Sheth et al., 1991). Conditional value is not an end in itself to consumers. Rather its ability to improve functional or social value of an offer is what consumers are seeking. Therefore, functional value and/or social value are the key drivers of conditional value.

Consumer Attitude

There are many factors that induce consumers to form certain perceptions and beliefs towards any goods and services. These perceptions and beliefs make consumers to form attitude and assess the values of important things around them. Thus, researchers, businesses and organizations are keen to investigate and understand those issues which have relevance to the formation of significant attitudes of interest. Ajzen, (2001) defined attitude as “a summary evaluation of a psychological object captured in such attribute dimensions as good-bad, harmful-beneficial, pleasant-unpleasant, and likable-unlikable”. As Sheth et al. (1991) affirmed there is a significant connection between consumption values and consumer subscription behaviour toward any business offer. However, such link between the consumption values and the behaviours are being mediated by consumer attitude. This is for the fact that consumers' positive or negative feelings towards any product or performance of a certain behaviour do influence their reaction towards the business offers. Therefore, this study defines consumer attitude as a predisposition to react in favour or disfavour of factors relating to telecommunication service offers. Varied studies investigated attitude in different ways and the studies showed different degree of mediation of attitude between the antecedents and behavioural tendencies (Phan & Pilik, 2018; Goi, Kalidas, & Yunus, 2018).

3.0 CONCLUSION

The above discussion has shown diverse reasons about why consumption values influence consumer attitude and behaviours. These values have different degree of influence on consumer decision making at varied situations. However, depending on the context of their applications, the importance of the consumption values is affected by the reliability and effectiveness of the services offered, the intensity of competition, socio-cultural settings, and the level of economic development.

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