

Factors Affecting Service Provider Switching Intentions Among University Students

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ABSTRACT

The growing number of mobile phone service providers has intensified competition among companies, resulting in a variety of attractive packages and plans aimed at attracting customers. This competitive environment has encouraged subscribers to switch to different service providers. Since Prepaid subscribers are not bound by contractual obligations, they have greater flexibility to switch providers. Factors affecting service provider switching intentions among university students are examined, focussing on the effects of price, satisfaction, alternative attractiveness, and MNP-induced self-efficacy on intention to switch. The paper also explores potential methodologies that could be valuable for analysing these factors. The findings of this study are expected to deepen the understanding of what factors influence university students to switch service providers.

Keywords: Intention to switch, mobile phone services, prepaid subscribers, university students

INTRODUCTION

The telecommunications industry is rapidly evolving, with numerous mobile service providers competing to attract customers, particularly university students who rely heavily on mobile phones for communication, studies, and entertainment. Prepaid services, which offer flexibility without long-term contracts, have become especially popular among students, making it easier for them to switch providers. Mobile number portability (MNP) has

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further simplified the switching process by allowing users to retain their phone numbers, eliminating a significant barrier. As a result, providers face increasing pressure to maintain customer loyalty, with students being more likely to switch due to their price sensitivity and lack of contractual obligations.

Factors such as price, customer satisfaction, and appealing alternative services significantly influence students' decisions to switch providers. However, there is a lack of research on how the MNP-induced self-efficacy impacts students' confidence in switching. This concept paper aims to explore these factors in the Malaysian context, where the MNP is relatively new, offering a deeper understanding of university students' provider-switching intentions. The findings could inform marketing strategies and customer retention efforts, providing valuable insights for mobile service providers seeking to attract and retain this dynamic and competitive consumer group.

PROBLEM STATEMENT

The Malaysian telecommunications industry is fiercely competitive, with service providers targeting university students as a key demographic segment due to their significant dependence on mobile phones for communication, education, and entertainment (Lin et al., 2021). Prepaid services are especially attractive to students because of their flexibility and with no long-term contracts. The introduction of the Mobile Number Portability (MNP), which allows users to retain their phone numbers when switching providers, has reduced a major barrier for prepaid users. The MNP not only simplifies the switching process but also encourages students who might otherwise stay with their current provider due to inertia or reluctance to change (Anis & Noor, 2021). However, there is still limited research on how the MNP interacts with factors such as price sensitivity and customer satisfaction to impact switching behaviour.

Price sensitivity and customer satisfaction play critical roles in the students' decisions to switch providers. University students are typically budget-conscious and can be easily influenced by even minor price changes, while dissatisfaction with service quality or customer support can push them to seek alternatives (Lin et al., 2022). Although these factors have been examined in broader studies, the specific dynamics influencing prepaid university students in Malaysia are still underexplored (Badeggi & Muda, 2021). Understanding these factors is essential for mobile service providers to stay competitive and develop effective strategies to retain this valuable consumer group.

RESEARCH QUESTIONS

This study seeks to examine the impact of price, satisfaction, alternative attractiveness and the MNP-induced self-efficacy on university students' intentions to switch service providers in Malaysia.

Hypotheses:

- H1:** There is a positive relationship between price and intention to switch.
- H2:** There is a negative relationship between satisfaction and intention to switch.
- H3:** There is a positive relationship between alternative attractiveness and intention to switch.
- H4:** There is a positive relationship between the MNP-induced self- efficacy and intention to switch.

This study offers insights into the university students’ provider-switching behaviour, helping the service providers develop better marketing and retention strategies to attract and keep this tech-savvy, competitive, demographic market. The results for path coefficient are shown in Figure 1.

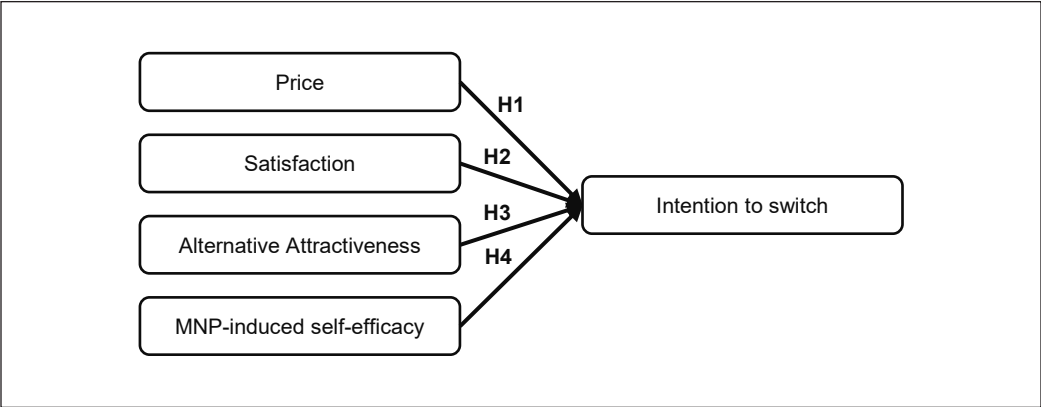


Figure 1. Conceptual framework of factors affecting service provider switching intention

CONCLUSION

This study identifies key factors influencing university students’ decisions to switch mobile service providers, including pricing, satisfaction, alternative options, and mobile number portability. It emphasises the need for service providers to adopt flexible pricing, improve satisfaction, and innovate. Policymakers can use these insights to foster fair competition and protect consumer choice.

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