

**Impact of socio-demographic factors on the choice of
telecommunications service providers: A case study of areas of
Kikoni, Makerere, Kasubi and Kikumi Kikumi**

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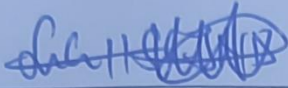
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Makerere University in Partial Fulfilment of the Requirements for the
Award of the Degree of Bachelor of Business Statistics of Makerere
University**

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DECLARATION

I, Ssemwogerere Christopher declare that this dissertation is my own original work done within the period of registration and that it has neither been submitted nor being concurrently submitted in any other institution and that it has been done to the best of my knowledge and all reference has been made where information from external sources was used.

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APPROVAL

This dissertation has been submitted for examination with approval of the following University supervisor:

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DEDICATION

To my parent and guardian Mrs. Nandawula Ruth and my family, I am so grateful and I do appreciate the unending help and support.

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Above all, my deepest glory could be heard to Almighty God for His presence with me in all the day to day performances and for giving me strength and protection to complete my studies.

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Table of Contents

DECLARATION	i
APPROVAL	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
Table of Contents	v
List of Figures	vii
List of Tables	viii
ABSTRACT	ix
CHAPTER ONE: INTRODUCTION	1
1.1 Introduction	1
1.2 Background of the study	1
1.3 The Problem statement	3
1.4 Objectives of the study	4
1.5 Research questions	4
1.6 The significance of the study	4
1.7 The Conceptual Framework	5
Figure 1.1	5
LITERATURE REVIEW	7
2.1 Introduction	7
2.2 Theoretical Review	7
2.2.1 Theory of Reasoned Action TRA	7
2.3 Empirical Review	9
2.4 Gap in Literature	11
CHAPTER THREE	12
3.1 RESEARCH METHODOLOGY	12

3.2	Research design.....	12
3.3	Area of study	12
3.4	Sampling design and sample size selection.....	12
3.5	Method of data collection.....	13
3.6	Data analysis	13
	Table 3.6.1 showing Variable definitions and measurements	14
CHAPTER 4		15
4.1	Introduction	15
4.2	Demographic characteristics	15
	The table 4.2.1 showing the demographic information	15
	Table 4.2.2 showing distribution of the independent variable.....	18
	Table 4.2.3 showing the relationship between age, monthly income and time a respondent used a particular service provider.	19
	Table 4.2.4 showing the relationship between gender, Education level, Occupation, Location, Network coverage, Data allowance, Call Quality, Internet speed, Price, Customer service, Age influence, Location Influence, Income Influence and the choice of a service provider.....	19
	Table 4.2.5 showing the factors that affect the respondents' choice of a service provider.	20
CHAPTER 5		22
5.1	Introduction	22
5.2	Discussion	22
5.3	Conclusion.....	23
5.4	Recommendation.....	23
5.5	Areas for further study	23
REFERENCES		25
APPENDIX.....		26
Questionnaire		26

List of Figures

Figure 1.1.....	5
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List of Tables

Table 3.6.1.....	14
Table 4.2.1.....	15
Table 4.2.2.....	19
Table 4.2.3.....	19
Table 4.2.4.....	20
Table 4.2.5.....	21

ABSTRACT

Abstract

This study investigates the impact of socio-demographic factors on consumer choice of telecommunication service providers in Uganda, focusing on gender, income, age, education, and location. The research problem centers on the challenges faced by telecom providers in retaining customers amidst intense competition and frequent switching of providers. Using a descriptive research design, data was collected via questionnaires from 164 respondents in Makerere, Kikoni, Kasubi, and Kikumi Kikumi areas. Data analysis involved descriptive statistics, Pearson Chi-square tests, and regression analysis to determine the relationships between socio-demographic factors and customer choices.

Key findings indicate that gender significantly influences consumer choice, with males less likely to be attached to specific providers. Additionally, network coverage, internet speed, call quality, and brand reputation emerged as critical determinants of consumer preference, while factors like income, age, education, and occupation showed minimal influence.

The study recommends that telecom providers focus on product differentiation and align services with socio-demographic needs, emphasizing quality and technological advancements to improve customer satisfaction and market share. Further research is suggested to explore these dynamics in broader contexts and larger samples to refine strategies for customer retention and acquisition.

CHAPTER ONE: INTRODUCTION

1.1 Introduction

This chapter presents the background of the study, the problem statement, the objectives and conceptual framework. Furthermore, it presents the research objectives and hypotheses, scope and limitations of the study.

1.2 Background of the study

The telecommunications business in Uganda is one of the fastest growing businesses within Uganda because of the fast-growing technological advancements within the industry. It is one of the biggest contributors to the economy's tax revenue of Uganda as a country having contributed 1.1 trillion which was 3.5% of the total services added in 2021 which was an increment from the 131 billion shillings earned in 2016 as per daily monitor as per daily monitor Atukunda,N. (2021, May 31). Telecom sector contributes 1.1 trillion in taxes in Uganda. Retrieved from <https://www.monitor.co.ug/uganda/news/national/telecom-sector-contributes-shs-1-1-trillion-in-taxes-govt-3399058>. Telecommunications business provides a wide range of services all in the range of communication that is through calls and communication through the internet. According to Malakata, M. (2021, September 27) Growth of Uganda's telecoms- modest but fast says regulator. Retrieved from https://itweb.africa/content/kLgB1Me_8299759N4 telecom subscriptions grew from 28.3 million subscriptions to 28.9 million which was 2% growth realized. The report states that the telephone subscriptions realized in the growth further pushed Uganda's tele-density to 68% from 67% in 2021. With the various service providers such as MTN Uganda, Airtel, Uganda Telecom and Lycamobile all in competition for the market share of the population in Uganda through provision of the services such as internet and communication services. Multiple of them have resorted to usage of advertisement and further providing services such as mobile money transactions, online banking services so as to attract the majority of the population. Through provision of such services not only are these companies seeking to win more market share but also cope with the fast-growing socio-economic trends that vary from individuals with consideration of socio-demographic factors such as age, gender, education, religious

affiliation, household, employment and income (d. Birke and G.M.P Swann, 2006)). Furthermore, other factors such as costs of maintenance are all directly related to the socio demographic factors mentioned above ((M. Clements, September 2006). The consumer is thought to be a rational individual and he makes choices in accordance to the satisfaction derived from the services used or consumed and that is why the telecommunication businesses go an extra mile to please them.

With the fast-growing technology that has created allowance of usage of more than one service provider, phones that can accommodate at least two sim cards and other factors such as job requirement are held accountable for influencing the decision of the customers and having a preference for more than one service provider. The social demographic factors have influenced the user to seek further purpose for usage of the chosen operator because of other requirements such as messaging, gaming, heavy internet usage from online classes and education to streaming and using these handsets as mobile and portable television sets which comes with a requirement of fast internet and cheap messaging bundles that could favor usage of options provided across all networks. The different network connections and service provision in different areas in terms of internet speed, accessibility to customer care and essential services such as mobile money can influence the customers' decision on the operator one is likely to use. With time spent in service delivery, the businesses have outgrown cases of poor service delivery and customer management to the best of their knowledge. However, not all loopholes have been covered and so the customers also base their decision criterion on the level of importance attached to them by the operator especially because of the value of services provided. This observed through the levels of satisfaction of the consumers. satisfaction of customers can help the brands to build long and profitable relationships with their customers (A. Eshghi, 2007). Turel and Serenko, however, observed that it is a common phenomenon that the services a brand offers and the price it charges actually determine the level of satisfaction among its customers, than any other measure (Serenko, 2006)

The need to improve service delivery has also called for continued relationship building between the telecommunication businesses and the customers with the aim of maintaining the present customer numbers and attracting more customers by taking care of the arising concerns that require immediate and urgent attention by the service providers. Customers opt for a provider readily coping with the fast growing and everchanging technology, for instance the shift from 4G to 5G. In addition, customers will be ready to opt for a service provider giving the best services in the field of internet and provision of 5G which would be matching the

ongoing demand and customer preferences. These services would be a great addition and move to win more of the market if they are currently providing the best services in-terms of internet. This does not only benefit those providers with already good services but also gives the ones slightly below an edge into the market share since they are able to provide new technology up to the new international standards and the world market.

With the above background, this study therefore aims at creating further awareness for the telecommunication companies in terms of the factors that influence the decision making of the customers ahead of selection or choosing a specific service provider from calls to data services.

Furthermore, a caring service provider that is more into working towards the customers' needs and satisfying them will put a lot of effort and consideration towards the preferences and demands of the customers. With the consideration of the various establishments and factors within the study by the telecommunication service providers, the scope for widening the competitive advantage within the customer base is increased since the customers would opt for a service provider who satisfies their needs and wants thus attaining utility. The study aims at further projecting the needs of the customers in order to get their needs tended to by the service providers thus attaining maximum value for the prices paid to utilize the provided resources.

1.3 The Problem statement

With the endless endeavors to market and promote themselves to customers, service providers have prioritized different market strategies to win over customers. Because of the increased competition in the telecommunication industry in Uganda today, many firms are finding it difficult to keep their existing customers loyal to them. This is evidenced by multiple switching of service providers by customers or dual utilization of service providers. With establishment of customer satisfaction as the main objective by customers, firms have adopted multiple strategies in order to provide satisfaction through provision of quality services, readily available tools and equipment needed. Understanding the impact of socio-demographic factors such as age, gender, income, education and location on the choice of telecommunication service provider can help service providers tailor strategies and offerings to better meet the needs of their target customers. Therefore, the key to identify the socio-demographic factors that influence customer choice and developing strategies to attract and retain customers in a highly competitive telecom market.

1.4 Objectives of the study

1. To investigate how the socio-demographic factors influence the consumer choice of telecommunication service provider.
2. To identify individuals' preference for the specific telecommunication service provider belonging to different social demographic groups.
3. To find out how important the location is in the consumer's choice of the telecommunication service provider.

1.5 Research questions

- Do socio-demographic factors affect the choice of telecommunication service providers
- Is there a significant relationship between social demographic factors and choice of telecommunication service provider?
- Does location influence the choice of telecommunication service provider in terms of likelihood of switching between service providers, with individuals living in rural areas being more likely to switch service providers.

1.6 The significance of the study

The study will help the telecommunication companies identify the loopholes in the previous modes and ways adopted to attract customers and then take advantage of the identified the important demographic factors that are supposed to be guiding factors in their endless search for a higher market share within the population. This study will guide these companies in coming up with the necessary solutions to the different loopholes realised since they are going to have a variety 'of responses from the different consumers.

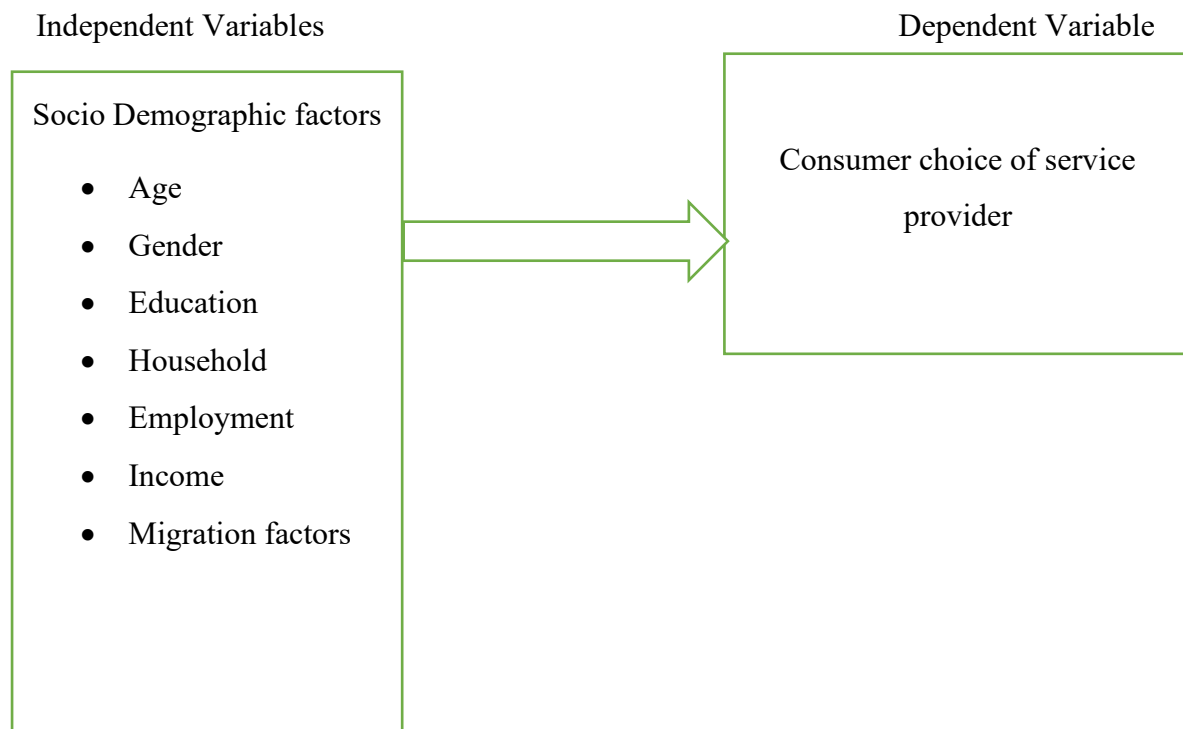
The study will also benefit the customers in improved service delivery since it is outlines and reechoes some of the important factors that may have been left out as strategies were being drawn in order to delivery services to customers. This is through the companies coming to ground to build relationship with the customers for instance carrying out further surveys in order to find out other factors that could have been left out or that arise later on during the course of service provision which would increase the efficiency and hence provision of services.

The study will fill the knowledge gap about the importance and significance of consideration of socio-demographic factors in obtaining customer satisfaction in desired ranges when

delivering services to customers. This provides further insight and guidelines to service providers on how to achieve their objective of customer satisfaction basing on socio demographic factors captured within the knowledge body.

1.7The Conceptual Framework

Figure 1.1



This varies from customer to customer. Different generations have different wants and needs they seek to be satisfied when they choose one of the various service providers currently available. Younger customers are more likely to adapt to new technology and other telecommunication services. Therefore, telecommunication service providers need to cater for needs and preferences for ages especially for the younger ones in order to stay in the competitive market.

Gender; the implication of the gender be it male or female has a crucial role it plays in the choice of service provider. For instance, it is the nature for the women to text and use other messaging services more than men, so the telecommunication service provider has to come up with ways to cater for both genders.

Education; the education level of an individual has an impact on the decision of service provider in relation to the complexity of the user interface the service provider provides. Well educated and highly educated individuals and personnel would not mind the user interface provided since they would interact with either system with ease since they can adopt quickly to new technology and telecommunication services. For the less educated and those that are not educated at all, they would choose or opt for a simplified system which is easier to use since it would prove more convenient for them. Therefore, the telecommunication service providers are meant to come up with strategies to cater for both groups of people so as to have competitive advantage.

Household; the environment in which one resides or operates would significantly influence the decision of service provider. For instance, a household which often uses MTN as a service provider would require the occupants to at least be active users or have an association with the service provider mentioned. Then the service providers should also provide attractive services and packages related to the family in order to get more customers.

Income: this is a significant socio demographic factor. Consumers with higher incomes are more likely and willing to pay for premium services unlike consumers with lower incomes. Therefore, service providers are meant to come up with different services for instance, offering a range of services at different prices to cater for people with different levels of income.

Occupation: consumers in higher work related and high organizations require more reliable and efficient services so as to fit and be able to conclude their work requirement on time. Some service providers are meant to cater for all kinds of jobs with high quality services to meet and cater for the demands of all kinds of people.

LITERATURE REVIEW

2.1 Introduction

This section contains theories and past studies about the telecommunications service provision in relation to socio demographic factors such as age, household, income, education background and their effect on consumers' choice on the service providers to use or go for in the aim to attain satisfaction.

2.2 Theoretical Review

This section reviews the theoretical study focusing on the Theory of Reasoned Action.

2.2.1 Theory of Reasoned Action TRA

Consumer attitudes are formed as result of product attributes beliefs. The Theory of Reasoned Action (TRA) has been consistently applied in understanding consumer attitudes. This theory was found by (Fishbein and Ajzen , 1980) and the model provides an expanded picture of how, when, and why attitudes predict behaviour. The Theory of Reasoned Action (TORA) model describes not only the general attitude of consumers and how these attitudes are formed or changed but the theory also describes how other potential customers and people they interact with influence their general behaviour. The theory places intention as the immediate cause of one's behaviour, and this means that the stronger a customer's intention the more likely the occurrence of the corresponding behaviour. The influence of intention is attitude and subjective norm that an individual has (Cherry, 2006) while the attitude component is composed of beliefs, it is perceived that it's the likelihood of particular consequences of the behaviour, weighted by an evaluation of the consequences. The subjective norm component is conceptualized as normative beliefs, the perceived pressure from salient referents, weighted by the motivation to comply with the referents (Buchan, 2005).

The model specifies that the choices by the consumers are determined by their beliefs and the consequences of choosing whichever mobile telecommunications service provider with the view of creating satiability that suits them.

The theory links factors influencing customer satisfaction to functional value, promotional value, innovative value and emotional value in relation to the services presented by the service providers. Also, the theory links factors influencing the choice of service provider selected by the consumers to the people, services and environment around the very customers. That is to say that such factors will determine the behavior and the decision making of the consumers

while selecting a particular service provider thus creating a perception that customers' behavior is influenced by multiple factors which later translates into the various choices and the decisions they make.

Various socio-demographic factors have different impacts and ways on influencing consumers on how to choose from the existing service providers in relation to the aims that satisfy the objective or reach the level the consumers consider satiable.

Age is one of the most important socio-demographic factors influencing the choice of consumers on the specific service provider to choose from. Younger consumers are more likely to adopt new technologies and are more likely to be price-sensitive. They are also more likely to be interested in value-added services, such as data plans and social media integration. Older consumers, on the other hand, are more likely to be interested in reliable service and customer support.

Income is also a significant factor influencing the choice of the consumers. Higher-income consumers are more likely to adopt new technologies and are more likely to be willing to pay more for premium services. Lower-income consumers, on the other hand, are more likely to be price-sensitive.

Education is another important factor influencing the consumers' choice in selection of a telecommunications service provider. More educated consumers are more likely to adopt new technologies and are more likely to be interested in value-added services. They are also more likely to be aware of their rights and to be more demanding towards the service providers so as to obtain maximum satiability and value from the services they are obtaining from the service providers.

Place of residence can also influence the choice of telecommunication service providers selected. Consumers living in urban areas are more likely to have access to a wider range of service providers and are more likely to be interested in data plans and other value-added services. Consumers living in rural areas, on the other hand, may have fewer options and may be more concerned with price and coverage.

In addition to the above factors, other socio-demographic factors, such as ethnicity, occupation, and social class, can also influence the choice of telecommunications service provider. However, the impact of these factors is less well-studied.

2.3 Empirical Review

A study by Wareham and Levy (Levy, 2002) found that age and income were both significant factors influencing the adoption of 3G mobile computing devices. Younger consumers were more likely to adopt 3G devices, while older consumers were more likely to adopt 2G devices. Higher-income consumers were more likely to adopt 3G devices, while lower-income consumers were more likely to adopt 2G devices. With the evolution of technology to date, service providers have been able to come up with new technology which is currently running on 5G thus giving the consumers better services but not really establishing the actual point in fully deriving satisfaction of consumers with the ongoing and changing technology. With factors such as age and education background that are more likely to influence people to go for service providers with new technology, services providers should ensure that with provision of new and attractive technology, consumers are supposed to derive the necessary satisfaction from the new and ongoing upgrades.

A study by Birke and Swann (Swann, 2006) revealed that the choice of mobile phone operators is strongly coordinated within households. The study also revealed the significance of demographic factors such as sex, age, and psychographic factors such as self-esteem in mobile phone use. These studies emphasize the significance of service quality, price, and speed as key determinants of consumers' preference for a particular service provider. The study also highlights the importance of customer satisfaction in building long and profitable relationships with customers. Furthermore, the study reveals that market share and the number of subscribers significantly contribute to consumers' choice of service providers.

A study by Pyramid Research found that in Nigeria, mobile phone users between the ages of 19 and 24 are more likely to be influenced by price when choosing a telecommunications service provider, while users between the ages of 25 and 30 are more likely to be influenced by service quality. In addition to that, a study by Akhter et al. (Akhter, 2015) found that younger consumers were more likely to use smartphones and preferred data-oriented services, while older consumers preferred traditional phone services.

Income as a socio-demographic factor plays an integral role in influencing consumers as they make choices in relation to the selection telecommunications service providers who provide satisfaction to them. A study by Ahn and Lee (Lee, 1999) found that the probability of subscribing to the telephone networks was positively correlated with income. Madden (G.

Madden, 2004) concluded that higher incomes and a large user base tends to create and promote mobile diffusion.

A study by A. Eshghi, D. Haughton, and H. Topi (A. Eshghi D. H., 2007) found that satisfaction of customers can help the brands to build long and profitable relationships with their customers. Turel and Serenko, however, observed that it is a common phenomenon that the services a brand offers and the price it charges actually determine the level of satisfaction among its customers, than any other measure

In a study carried out by Wang and Lo (Y. Wang, 2006) on comprehensive integrated framework for service quality, customer value, and customer satisfaction and behavioural intentions of customers in China's mobile phone sector, they observed that competition between two mobile phone service providers is more intense than ever which is not only in ensuring network quality by a large amount of investment in network extension and upgrading but also in customer acquisition and retention by direct and indirect price reduction efforts.

A study by Omotayo and Joachim (Joachim, 2008) attempted to find the relationship between customers' services on customer retention in telecommunication industry in Nigeria. They found strong relationship between customer service, satisfaction and retention in the communication industry in Nigeria.

Deng et al. (Zu. Deng, 2009) observed that the ability of a service provider to create high degree of satisfaction is crucial for product differentiation and developing strong relationship with customers. Besides the quality of service offered by various brands to attract subscribers, promotion remains a powerful tool in gaining new customers.

Promotion is concerned with ensuring that consumers are aware about the company and the products it makes available to consumers (Root, 1994). Promotion goes beyond mere communication of product awareness but involves inducing the consumer to make a purchase. P. Kotler (P. Kotler, 2003) stated that promotion is when companies inform, persuade, or remind customers and the general public of its products. Furthermore, promotion is intended to create an image to the consumers that the products being marketed will give them satisfaction like no other products on the market.

Education as important factor in influencing the choice of telecommunication service provider. With education, consumers are exposed to higher levels of technology and information which

increases the level at which they obtain or reach satisfaction from the services provided by the mobile telecommunications service providers.

A study by Wareham and Levy (Levy, 2002, pp. 161-174) reported that education is a steady indicator of wireless phone diffusion because achieving higher education has a positive association with being comfortable with higher technology use. In a household-level analysis by M. Clements, and A. Abramowitz (M. Clements, The development and adoption of broadband service, 2006), found income, age, educational attainment and the presence of children to influence adoption of broadband service in the United States.

2.4 Gap in Literature

As earlier noted in the Theory of Reasoned Action, customers' intent and behaviour is influenced by multiple factors from the people around them to services provided by the telecommunications service providers and environmental factors but does not signify the importance and impact of socio demographic factors in influencing the behavioural change of customers towards services provided by the telecommunications service providers.

The continued change in socio demographic factors such as age, income and households spark different behaviour at different stages of consumers' lives which indicates continuous changes and variations in behaviour and decisions from time to time again.

Because of the continuous changes, this underestimates the importance and impact of socio demographic factors in the behavioural change and decision making of consumers which makes it a point

CHAPTER THREE

3.1 RESEARCH METHODOLOGY

Based on the specified and listed objectives of the research questions, this chapter gives a detailed description on how the research was conducted. There is also coverage of the research design, area of study, sample size and the method of data collection plus data analysis.

3.2 Research design

This refers to the overall strategy that a researcher chooses to integrate the different components of the study in a coherent and logical way thereby ensuring that there will be effective address of the research problem. In this research, the descriptive type of research design is to be used in the examination the research problem.

3.3 Area of study

The research is to be carried out in the areas of Makerere, Kikoni which is a catchment area of various businesses which require usage and utilization of communication through the various service providers within Uganda. The respondents to this research are both residents in this area and non-residents who come in to do multiple activities from education to business transactions and many more other activities.

The data collection will also stretch further to cover other major business activities around Kikoni such as Makerere, Kikumi, Kasubi since these are some of the areas that near the area of study.

3.4 Sampling design and sample size selection

Cochran's sample size formula is to be utilized in the determination of the sample size of the population to be used to determine the total population of the area of study

$$n = \frac{Z_{\alpha/2}^2 pq}{e^2}$$

At 95% confidence interval $Z=1.96$

n = sample size

p = sample proportion of population preferring a specific mobile network

$q = 1-p$

e = desired level of precision (margin of error) at 8%

95 percent level of confidence was used (1.96 from the table)

Assuming that the proportion $p=0.7$

Margin of error was set at 7% because 5% would give a very large sample and 10% gives a small sample so 7% would give an ideal sample

By substitution

$$n = \frac{(1.96)^2 * 0.7 * 0.3}{0.07^2}$$

$$n = 164$$

Therefore, the sample size is 164.

3.5 Method of data collection

The method data collection to be used in order to gather the quantitative data required in the tabulation is a questionnaire. The questionnaire is the research instrument to be used in data collection since we require to have primary data in the calculation and computation of the figures required. The questionnaire will contain open ended questions and phrased relies to enable us collect data we require in data computation.

3.6 Data analysis

After data cleaning, the data will finally be analysed in order to investigate the findings and to make statistical conclusions and recommendations about the study.

Descriptive analysis will be employed and various frequencies and cross tabulations will be computed. A number of tables and figures will also be developed for detailed analysis.

Pearson Chi-square tests are to be employed to test the hypotheses

$$\chi^2 = \sum_{i=1}^r \sum_{j=1}^k \frac{(O_{ij} - E_{ij})^2}{E_{ij}}$$

Where

O_{ij} is the observed frequency ($i=1 \dots r, j=1 \dots c$)

E_{ij} is the expected frequency assuming independence; r is the number of categories of independent variables

k is the number of categories of dependent variables

Assumptions for using Pearson chi-square;

- The 2 variables to be considered should be categorical
- Expected count in each cell should be greater than 5 otherwise fishers' exact test would be considered
- Data Collection Instruments

Table 3.6.1 showing Variable definitions and measurements

VARIABLE	DEFINITION	MEASUREMENT
DEPENDENT VARIABLE		
Consumer Choice on telecommunications service provider	This refers to the selection of telecommunication service provider best suited to them.	Airtel, Mtn & lycamobile =1 Airtel, Mtn = 2 Airtel=3 Airtel, lycamobile =4 Mtn =5 Mtn, Lycamobile = 6 Lycamobile=7 Airtel-K2 =8 Airtel-K2, Mtn = 9
INDEPENDENT VARIABLES		
Age	The age gap and group of the respondents	18-24 years 25-34 years 35-44 years 45-54 years 55 years and above
Gender	The sex of the respondents	Male Female
employment	The means one earns a living	Unemployed Self employed Employed
Income	Amount of money earned by the respondents	Each respondent Will be required to specify their income

CHAPTER 4

THE PRESENTATION AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter presents results and findings of the research, presentation of the study findings, the descriptive analysis at univariate, bivariate and linear regression at multivariate level.

4.2 Demographic characteristics

The respondents that participated in the study were required to reveal their information such as age, income, employment, level of education and gender.

The table 4.2.1 showing the demographic information

Variable	Frequency	Percentage
Gender		
Female	49	48.04
Male	53	51.96
Education level		
Advanced level	4	3.92
Bachelor's degree	42	41.18
Certificate	2	1.96
CPA	1	0.98
Diploma	4	3.92
High school	3	2.94
University student	44	43.14
Masters	2	1.96
Occupation		
Accountant	4	3.96
Cashier	3	2.97
Database administrator	1	0.99

ICT Technical support	1	0.99
Office assistant	1	0.99
Receptionist	1	0.99
Self Employed	5	4.95
Teacher	6	5.94
Bank teller	2	1.98
Data Analyst	2	1.98
Engineer	2	1.98
Manager	3	2.97
Part time employment	3	2.97
Records clerk	1	0.99
Software Engineer	1	0.99
Unemployed	39	38.61
Business Person	15	14.85
Data Entrant	2	1.98
HR Manager	1	0.99
Money lender	2	1.98
Plantation manager	1	0.99
Research Assistant	2	1.98
Surveyor	1	0.99
Waitress	2	1.98
Location		
Kasubi	27	26.73
Kikoni	27	26.73
Kikumi kikumi	6	5.94

Makerere	40	39.60
Network coverage		
Yes	61	60.40
No	40	39.60
Data allowance		
Yes	53	52.48
No	48	47.52
Internet speed		
Yes	50	49.50
No	51	50.50
Call quality		
Yes	33	32.67
No	66	67.33
Price		
Yes	29	28.71
No	72	71.29
Reputation		
Yes	36	35.64
No	65	64.36
Customer Service		
Yes	25	24.75
No	76	75.25
Age influence		
Yes	63	62.38
No	38	37.62

Income Influence		
Yes	75	74.26
No	26	25.74
Location Influence		
Yes	87	91.58
No	8	8.42

From the table above, more than half of the respondents were male (51.96%) while (48.04%) were female. Majority of the respondents were university students (43.14%) followed by (41.18%) who were bachelor's degree holders. The table further shows that the majority of the respondents were Unemployed (38.61%) followed by business persons (14.85%).

Furthermore, the majority of the respondents were residents of Makerere (39.60%) followed by Kasubi and Kikoni with (26.73%). Also from the table, majority of the respondents chose a service provider due to network coverage (60.40%), (52.48%) chose a provider due to data allowances, (49.50%) due to internet speed, only (32.67%) due to call quality, a small number of respondents (28.71%) chose a service provider due to their price, (35.64%) due to brand reputation, only (24.75%) due to customer service, majority (62.38%) chose a service provider due to age influence, a significant number (74.26%) chose a service provider due to income influence and lastly (91.58%) of the respondents had their choice influenced by their location.

Table 4.2.2 showing distribution of the independent variable.

Variable	Frequency	Percentage
1	19	18.81
2	20	19.80
3	19	18.81
4	4	3.96
5	25	24.75
6	2	1.98
7	8	7.92

8	2	1.98
9	2	1.98

From table, the majority of the respondents were using MTN as their service provider (24.75%) followed by MTN and AIRTEL (19.80%) and AIRTEL MTN and LYCAMOBILE (18.81%).

RELATIONSHIP BETWEEN VARIABLES AND THE CHOICE OF A SERVICE PROVIDER.

Table 4.2.3 showing the relationship between age, monthly income and time a respondent used a particular service provider.

Variable	Df	Sum sq.	Mean Sq.	F-value	P-value
Age	1	6.3	6.288	0.362	0.549
Monthly income	1	1405000000000	1405000000000	3.648	0.059
Time used	1	8.3	8.263	0.459	0.5

From the table above, there is no relationship between the age of respondents and choice of a service provider as evidenced by a p-value (0.549) > 0.05. Also, from the table above, results show that monthly income has little or no effect on the choice of a service provider evidenced by a p-value (0.059) > 0.05 level of significance. The results also show no relationship between time a respondent has used a service provider and their choice of the provider.

Table 4.2.4 showing the relationship between gender, Education level, Occupation, Location, Network coverage, Data allowance, Call Quality, Internet speed, Price, Customer service, Age influence, Location Influence, Income Influence and the choice of a service provider.

Variable	Chi-Square	P-value
Gender	33.585	0.0000
Education level	52.576	0.6053
Occupation	165.14	0.8374
Location	38.159	0.2097

Network coverage	30.723	0.0002
Data allowance	14.013	0.0814
Internet speed	16.479	0.0360
Call quality	18.746	0.0163
Price	4.8025	0.7785
Brand reputation	16.487	0.0359
Customer service	11.816	0.1596
Age influence	15.052	0.0581
Income influence	6.373	0.6055
Location influence	2.8937	0.9409

From the above table, results show that there is a significant relationship between gender and choice of the service provider as evidenced by the p-value $(0.0000) < 0.05$. the results also show that there is no relationship between Education level, occupation, location, data allowance, Price, customer service age influence, income influence, location influence and choice of a respondents' service provider as evidenced by the p-values (0.6053) , (0.8374) , (0.2097) , (0.0814) , (0.7785) , (0.1596) , (0.6055) , and (0.9409) respectively which are all greater than the significance level of 0.05. The results show that there is a significant relationship between Network coverage, internet speed, call quality, Brand reputation and the respondents' choice of a service provider as evidenced by p-values of (0.0002) , (0.0360) , (0.0163) , (0.0359) which are all less than 0.05 level of significance.

DEMOGRAPHIC FACTORS THAT AFFECT THE CHOICE OF A SERVICE PROVIDER.

Table 4.2.5 showing the factors that affect the respondents' choice of a service provider.

Dependent variable	(Intercept)	gender Male	Network coverage	Internet speed	Call quality	Brand reputation
2	3.1642	-2.3560	-0.6614	-1.7145	0.9674	-0.7924

3	4.5221	-4.3107	-1.4439	-2.1064	-1.4536	0.0651
4	2.9535	-47.1306	-2.2802	-2.8920	0.8521	0.7748
5	2.4762	-1.6075	-0.5563	-1.7803	0.4767	1.0215
6	-13.3831	13.6623	-2.0982	0.2741	-31.1767	-39.1421
7	3.7399	-1.8612	-3.1250	-2.1799	-26.6117	-33.6494
8	1.1505	-2.7888	-55.2605	-0.3084	3.1902	-0.5731
9	-42.8393	-38.6761	16.4595	13.6743	-31.8232	14.4098
Std. errors						
2	1.2278	0.9212	1.0447	0.8913	0.8267	0.8411
3	1.2325	1.1491	1.0819	1.0224	1.3127	0.9676
4	1.4174	Nan	1.7387	1.5236	1.7437	1.3909
5	1.1997	0.8929	0.9671	0.8425	7.3929	0.7251
6	0.7293	0.7293	1.7629	1.6954	0.0000	0.0000
7	1.3133	1.2450	1.4174	1.4019	0.0000	0.0000
8	1.8819	2.1837	0.0000	1.8947	2.4203	1.9568
9	0.3085	0.0000	0.3085	0.3085	0.0000	0.3085

The coefficient for 'gender Male' is -2.3560, indicating that being male is associated with a decreased likelihood of choosing a specific service provider.

Network coverage, internet speed, and call quality appear to have no statistically significant effect on the choice of service provider.

Brand reputation, with a coefficient of -0.7924, suggests that a more negative brand reputation decreases the likelihood of selecting a specific service provider.

CHAPTER 5

DISCUSSION, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter presents the discussion about the study, conclusion and recommendation from the study.

5.2 Discussion

The study revealed that socio demographic factors did impact the consumers' decision making in selection of a service provider. However much the socio demographic factors have an impact on the choice of consumers of the service provider selected, it could be ignored by the service providers in their unending quest to satisfy and conquer more of the consumers and win more of the market share.

Though, to a certain extent, the study found out that socio demographic factors have an impact or influence on the decision making of consumers with gender having the most noticeable or significant influence on one's decision making in choosing a telecommunications service provider.

Gender has a significant impact on the decision making on consumers which is evidenced by the p-value $(0.0000) < 0.05$. It influences the behavioural changes of consumers in selection of service provider and also decision making. The female gender is more likely to be associated with choosing a specific service provider or operator. The male gender is likely to be associated with a specific telecommunications service provider which evidenced by the coefficient for 'gender Male' is -2.3560. This elaborates the theory of reasoned action as earlier explained that the behaviour of customers can be influenced by the people, they interact with which subsequently affects their choice and decision making about the telecommunications service provider.

In relation to the theory of reasoned action, factors such as environment, social class and location are important in influencing one's behavioural changes and also inducing changes in their decision making. The study reveals that location as stated by the theory as other factors that influence the behavioural change and decision making has an impact on one's choice which was evidenced by the significant number of respondents (91.58%) that indicated that it is one important factor they did consider ahead of choosing a telecommunication service provider then followed by income at (74.26%).

Other socio demographic factors such age, income, employment and education level did not significantly influence the decision making of consumers on telecommunication service providers in this area which was evidenced by their $p > 0.05$ as follows (0.058), (0.605), (0.8374) and (0.6053) respectively.

The study also revealed the importance and virtual role telecommunication service providers play in the influencing the decisions of their customers through the quality services provided which are aimed at creating satisfaction for the customers. The results show that there is a significant relationship between Network coverage, internet speed, call quality, Brand reputation and the respondents' choice of a service provider as evidenced by p-values of (0.0002), (0.0360), (0.0163), (0.0359) which are all less than 0.05 level of significance.

Its worth noting that Brand reputation of the service provider would great impact them and also influence the decisions of consumers which in evidenced statistically with coefficient of - 0.7924, suggesting that a more negative brand reputation decreases the likelihood of selecting a specific service provider.

5.3 Conclusion

In conclusion, the study revealed that gender was the most probable socio demographic factor to consider while providing services since it significantly influenced the decision making of consumers in relation to choosing the telecommunication service provider.

Furthermore, the services provided by the telecommunication service providers were equally important to influence the behavioural change of customers especially the male gender that was more likely not be attached to a specific telecommunications service provider.

5.4 Recommendation

I recommend the service providers to put more consideration to product differentiation in order to take advantage of the chance created by the socio demographic factors and also keep their services and products up to date so as to get an added advantage in case of behavioural and decision change within customers. This grants the selected service provider the opportunity to win more of the customer base since they are able to provide products that give satisfaction to the consumers.

5.5 Areas for further study

Further research should be carried out in different areas and in large samples so as establish the gravity of the impact of socio demographic factors so as to enable telecommunication service

providers come up with better and new strategies to provide services that are eye catching and provide satisfaction at the same time to the consumers.

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APPENDIX

Questionnaire

Dear respondent, my name is Ssemwogerere Christopher, a third-year student at Makerere University pursuing a Bachelor's of Science in Business Statistics degree. Am conducting a research on the impact of socio demographic factors on the consumers' choice of telecommunications service provider, a case study of areas of Kikoni, Makerere, Kikumi kikumi And Kasubi. I humbly request you to take participate in this data collection exercise aimed enabling me complete my thesis. I guarantee you maximum confidentiality of all your personal information collected within this exercise. Thank you very much for your participation.

1. What is your age?

.....

2. What is your gender?

.....

3. What is your level of education?

.....

4. What is your monthly income?

.....

5. What is your current occupation?

.....

6. What is your current location?

- ☐ Makerere
☐ Kikoni
☐ Kasubi
☐ Kikumi-kikumi

7. Which telecommunication service provider(s) are you currently using?

- ☐ MTN
☐ AIRTEL
☐ K2-AIRTEL
☐ LYCAMOBILE

☐

OTHER

8. How long have you been using this service provider(s)?

.....

9. What made you choose this particular service provider(s)? in case of different service providers, please specify where necessary.

.....

10. What factors influenced your choice of telecommunication service provider(s)?

Network coverage:

Internet speed:

Data allowance:

Call quality:

Price:

Brand reputation:

Customer service:

11. Do you think age is a factor that influences the choice of the telecommunication service provider?

☐

Yes

☐

No

☐

Unsure

12. If you answered “Yes” to question 11, which age group do you think is most likely to prefer data-oriented services?

☐

18-24 years

☐

25-34 years

☐

35-44 years

☐

45-54 years

☐

55 years and above

13. Do you think income is a factor that influences the choice of telecommunication service provider?

☐

Yes

☐

No

☐

Unsure

14. If you answered “Yes” to question 13, which income bracket do you think is most likely to prefer premium mobile services?

☐

Less than shs. 200000

☐

Shs. 200,000- shs. 300,000

☐

Shs. 300,000- shs. 500,000

☐

More than shs. 500,000

15. Do you think location is a factor that influences the choice of the telecommunication service provider?

☐

Yes

☐

No

☐

Unsure

16. If you answered “Yes” to question 15, which location do you think is more likely to switch between telecommunication service providers?

☐

Urban

☐

Rural

☐

No difference

17. Based on your experience, which telecommunication service provider would you recommend to someone with a high income?

.....

18. Based on your experience, which telecommunication service provider would you recommend to someone living in a rural area?

.....

19. In your opinion, what changes could telecommunication service providers make better cater to the needs of different social demographic groups?

.....
.....
.....

Thank you for taking your time to complete this survey. Your responses and identity will be treated with the highest degree of confidentiality.