The Impact of Switching Barrier on Customer Loyalty in Telecommunication Industry

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In last few years the telecommunication market has witnessed a substantial growth and rapid changes globally as well as domestically. After this revolution people have highly engaged with telecommunication services. So it has been created a high competition in telecommunication market. However, the service providers have to consider about the building up customer loyalty in competitive Sri Lankan market. So the operators can pay their attention towards the switching barrier as a customer loyalty building factor. In is connection, this study aims to measure the impact of switching barrier on customer loyalty.

A new conceptual model of customer loyalty in telecommunication industry is developed using seven dimensions as the factors relate to switching barrier which can be made impact on customer loyalty. Those are Loss cost, Adoption cost, Move in cost, alternative attraction, Interpersonal relationship, Social Ties & Value Congruency.

Researcher has used a descriptive research design for this research and it has been used random sampling method to gather data from 100 respondents. The questionnaires were distributed among them and the results were analyzed based upon the proposed research questions and hypotheses, and finally the conclusions and implications were made. The results indicate that all the factors are related to the positive impact on customer loyalty.

Keywords: Customer Loyalty, Telecommunication Industry, Consumer Switching