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## An Analysis of Airtel Price Hike and It's Impact on Family Budget With Reference To Coimbatore

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### ABSTRACT:

The recent service charge rise from Airtel created consumer worry because these price hikes strain household finances. The research investigates how modified tariffs affect residential populations in Coimbatore due to its reputation as a city with various economic conditions and industrial progress. This research investigation collects data about service consumer reactions to the price increase through analysis of how users alter their practices and demonstrate brand affinity modifications as well as monetarily affected situations within distinct economic segments.

This research analyses Coimbatore residential adjustments to rising telecom costs through both survey-based primary data and industry report secondary analysis. This research analyses how users adjust their communication practices while reducing extras while they show growing interest in switching to different service providers. The assessment considers customer views about the new Airtel plans' value and affordability aspect.

The study presents findings which give essential knowledge to service providers as well as regulatory authorities and consumers through detailed exploration of pricing changes at a small-scale level. The study ends with both cost-management recommendations and telecom company recommendations which optimize profitability and keep clients satisfied.

### INTRODUCTION:

Mobile and internet services have become fundamental necessities in the present digital society because they facilitate communication along with education and business operations and promote entertainment services. Throughout India the telecom provider Airtel along with other companies serves as a key operator that delivers network connectivity to the country. Frequent Airtel mobile rate adjustments combined with broadband plan price revisions have become harder for Indian consumers from lower and middle classes to maintain their cell phone and internet service payments.

Coimbatore, an industrial and academic hub, offers a unique perspective due to its diverse population and high dependence on digital services. The modifications made to telcos' pricing structure lead families to reorganize their budgets. The experts wish to examine both financial adaptation strategies and changing consumer patterns brought by these pricing changes.

Research provides detailed study about Airtel's pricing adjustments on family finances alongside customer satisfaction evaluations and the adaptations people use to handle higher service costs. The research findings support telecom businesses and governing authorities in achieving proper business-to-service accessibility balance.

### STATEMENT OF PROBLEM:

The Indian telecom sector experienced major price increases because of operational expenses and technological innovations and market competition pressures. The leading telecommunications provider Airtel increased its prices for mobile phone services and internet connections. The price increases that aim for long-term business sustainability along with technological advancement generate substantial financial burden upon Coimbatore urban residents.

People who earn a limited amount or whose income is set placed face challenges in incorporating extra costs into their financial management system. Research should investigate the price increase effects on consumer conduct and home financial standing despite their evident consequences. The present research investigates the effect of Airtel's price changes on day-to-day household expenses and telecom usage patterns and customer satisfaction rates in Coimbatore.

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## OBJECTIVES OF THE STUDY:

- The research analyzes the general attributes which define the survey participants.
- The research investigates how users modified their telecom habits because of price increase spikes.

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## SCOPE OF THE STUDY:

- The research evaluates pricing strategies of Airtel throughout Coimbatore City to measure their impact on family money management.
- The research examines numerous prepaid and postpaid mobile plans together with data plans as well as their affordability levels for diverse income ranges.
- The assessment takes into account both how consumers judge the fairness of price alterations and their evaluations of service value.

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## REVIEW OF LITERATURE:

- Paulraj and Rajkumar (2011) evaluated the fundamental elements which steer customers toward choosing telecom services. The authors determined service quality and pricing served as the main factors behind consumer choice while accessibility also contributed to their preferences.
- Users in Bardoli based their decisions on pricing alongside service quality and brand reputation according to the survey results by Chintan Shah (2012).
- Zafar (2013) discovered female mobile customers showed stronger preferences toward mobile services because they set higher demands on both call fees and the complete service quality.
- According to Pandya et al. (2014) consumer satisfaction rested upon liking GPRS and free roaming but network quality together with customer support negatively influenced overall satisfaction.

## OVERVIEW OF THE STUDY:

The telecom company Airtel started its operations as a mobile service provider in Delhi during 1995 through the initiative of Sunil Bharti Mittal. India saw rapid growth of the telecom brand which made it a top provider in the national market. The global expansion of the company advanced through Zain's acquisition of their African business operations in 2010. Through expansive growth Airtel now operates as a multinational company that delivers mobile telecommunications together with digital banking services and entertainment products. The telecommunications company operates in 18 worldwide countries serving 500 million customers while investing resources to develop 5G technology together with fiber optics networks.

## CONSUMER PERCEPTION:

### DEFINITION:

People use their life experiences and beliefs together with outside influences to understand and evaluate products along with their branding elements.

### SIGNIFICANCE:

- Influences purchasing behavior and decision-making.
- Affects long-term customer loyalty and engagement.
- Determines competitive positioning and market share.

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## ANALYSIS AND INTERPRETATION OF DATA

### 4.1 PERCENTAGE ANALYSIS:

#### AGE WISE CLASSIFICATIONS OF THE RESPONDENTS

AGE	NO. OF RESPONDENTS	PERCENTAGE
Below 25	85	55.2
25-30	19	12.3
30-35	20	13
35-40	19	12.3
Above 40	11	7.1
<b>TOTAL</b>	<b>154</b>	<b>100</b>

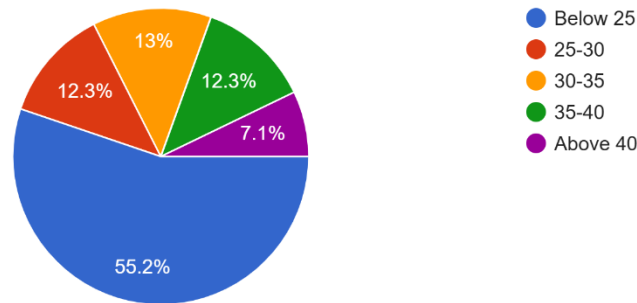
(Source: Primary data)

**Interpretation:**

The majority of respondents (55.2%) are under 25 years old, followed by 12.3% aged 35–40 years, and 25–30 years (12.3%) ,30–35 years (13%), Only 7.1% are over 40 years.

**Age group**

154 responses

**CHI SQUARE ANALYSIS:**

	VALUE	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	36.57	16	.002
Linear-by-Linear Association	2.40	1	.121
N of Valid Cases	154		

**Pearson Chi-Square:**

- There is a significant association between salary and spending on Airtel packs ( $p < 0.05$ ). This means that spending patterns on Airtel packs vary significantly across different salary groups.

**Linear-by-Linear Association:**

- There is no significant linear relationship between salary and spending on Airtel packs.

**Summary:**

- There is a statistically significant relationship between salary levels and current spending on Airtel packs. This means that individuals with different salaries tend to spend differently on Airtel pack.

**FINDINGS:****PERCENTAGE ANALYSIS:**

- The majority (64.3%) of the respondents are Male
- 55.2% of respondents are under 25 years old
- 35.7% of the sample earns below Rs.10,000p.m.
- 43.5% live in rural areas
- 49.4% belong to households with four members

**CHI SQUARE ANALYSIS:**

- Income levels has a statistical significant effect on how much users spend on airtel services

**SUGGESTION:**

- Airtel should develop low cost ,flexible plans for young users and rural customers who represent a substantial segment of the market
- Offering loyalty programs discounts and custom bundles may help prevent customer churn amid rising competition

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## CONCLUSION:

The research indicates that Airtel's recent tariff hike has caused significant shifts in consumer behaviour. Many users have reduced their service usage, switched to more affordable plans. While some consumers see the price increase as a reasonable trade-off for improved service, concerns about affordability remain. To maintain customer loyalty, Airtel should focus on offering more cost-effective solutions while continuing to enhance of its services.

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