

**IMPACT OF SWITCHING BARRIERS ON CUSTOMER LOYALTY IN
TELECOMMUNICATION INDUSTRY; SPECIAL REFERENCE TO
ANURADHAPURA AND POLONNARUWA DISTRICT URBAN AREA**



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ABSTRACT

Telecommunication is a very influential industry for Sri Lankan customers. Customers are more interested to get new & modern experience through that. Customer loyalty is a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future. It is a critical issue in the success of any business system. It is an important factor in telecommunication industry also. The service providers have to consider about the building up customer loyalty in competitive environment. So, the Service providers pay their attention towards the switching barrier as a customer loyalty building factor.

In Sri Lankan context, a few empirical studies have been conducted about the impact of switching barriers on customer loyalty in telecommunication industry. Thus, there is an empirical knowledge gap on impact of switching barriers on customer loyalty in telecommunication industry. So, the research was carried out to fulfill the knowledge gap with the objective of identify the impact of switching barriers on customer loyalty in telecommunication industry in Anuradhapura and Polonnaruwa district urban area. Study has used 200 telecommunication users from total population in Anuradhapura and Polonnaruwa district urban area. SPSS software was used to analyze the data and descriptive statistics, correlation analysis and regression analysis were used as the data analysis tools, while presenting the results by using percentages, tables and charts.

Based on the results, researcher was identified the current level of switching barriers and customer loyalty is at a high level by using descriptive analysis. Among five Switching Barriers, only three barriers such as Switching cost, Lack of attractive alternatives and Social ties have significant positive impact on the customer loyalty while other two barriers become insignificant factors in Anuradhapura and Polonnaruwa district urban area. Moreover, this study has identified that the 'Switching cost' is the most influential switching barrier on customer loyalty and all the factors shown positive impact on customer loyalty. It proved in research analysis part. Based on the findings of the study, it concluded that switching barriers of telecommunication industry is good predictor of the customer loyalty. Hence, there are some policies and procedures would be developed to higher the switching barriers to retain loyal customers in telecommunication industry.

Key words: - Telecommunication industry, Switching barriers, Customer loyalty

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