

PROJECT ADMINISTRATION DATA SHEET



ORIGINAL



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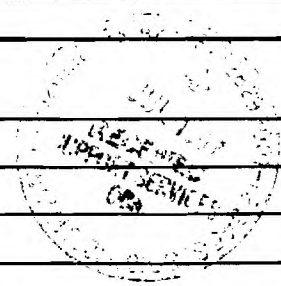
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**Date** July 14, 1989

Project No. M-50-653

Center No. R6337-0A0

**Project Director** N. K. Malhotra

School/Lab \_\_\_\_\_ COM \_\_\_\_\_

**Sponsor** Contel Corporation

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Effective Completion Date 9/30/88 (Performance) 9/30/88 (Report

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 Government Property Inventory & Related Certificate  
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# TELEPHONE CALLING CARD STUDY

BY

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A REPORT PREPARED FOR:

CONTEL CORPORATION

MARCH 1988

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## ABOUT THE AUTHOR

Dr. Naresh K. Malhotra is recognized as one of the foremost authorities in Marketing Research. In a study published recently, he was ranked number one in the country based on publications in the Journal of Marketing Research during 1980 to 1985. For the last thirteen years, he has conducted Marketing Research projects for private sector, nonprofit and government organizations. He publishes regularly in the leading journals in Marketing and serves on the Editorial Boards of eight journals. Currently, he is writing a graduate level text book on Marketing Research. He has been involved in the organization of several national and international conferences. A professor of Marketing at Georgia Tech, he is the recipient of numerous honors and awards.

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## EXECUTIVE SUMMARY

## 1 OVERVIEW

The objectives of this study were to determine the attitudes toward and preferences for various aspects of a telephone calling card for households and businesses in the markets served by CONTEL. This chapter presents a summary of the major findings of the project. We provide general conclusions with respect to the overall objectives of the project. The implications of these findings are also discussed and recommendations made.

## 2 SUMMARY OF MAJOR FINDINGS

### 2.1 Findings of the Household Survey

Owners of telephone calling cards tend to use them mainly for making long distance calls. In the sample, 41.6 % of the households had charged a long distance call within the last two months, 7.0 % had charged local calls, and 3.0 % of the households had charged an international call within the same time period.

Penetration of calling cards other than AT&T's is very low. The incidence of MCI and US Sprint calling cards was 2.0% and 2.3% respectively.

The use of major credit cards for charging telephone calls is not very prevalent. The percentage of households charging long distance, local, and international calls to major credit cards were 6.4 %, 1.3 %, and 1.0% respectively.

Relatively low familiarity with the calling card was reported. As many as 58.9 % of the households in the sample indicated that they were not familiar with the various features of a telephone calling card.

The quality of telephone service is rated as the most important factor in selecting a telephone calling card. Next in order of

importance are ease of use, and quality of customer service. Following closely is the third set of factors consisting of cost per call, ability to use the card to make calls to/from anywhere in the US, helpful telephone operators, and overall reputation of the firm. Relatively, the least important were the flexibility to charge calls from other long distance companies, the firm offering the card is the local telephone company, and credit points offered towards the purchase of other products.

However, some significant differences were observed across segments. Households having a card, or using a calling card, or likely to request one were more convenience oriented putting relatively greater emphasis on ease of use, and the ability to use the card to make calls to/from anywhere in the US. In addition, those likely to request a card also attached relatively more importance to the flexibility to charge calls from several different long distance companies. On the other hand, households not having a card or not using one were more cost/price sensitive and placed comparatively more importance on the cost per call and monetary rebates and discounts on telephone services.

The vast majority (88.1 %) of all households indicated that they would prefer a calling card with charges for telephone calls only. The use of a telephone calling card to charge other items, such as utility bills, which cannot be charged to major credit card, or its use as a major credit card was not considered desirable. This finding was consistently observed across all segments.

If the households were to select a long distance telephone company, the majority (65.6 %) considered it important that a telephone company offer a calling card. Households having a calling card, using one, or likely to request one within the next six months considered this factor to be more important than their counterparts.

The percentage of respondents indicating that they were likely to request a telephone calling card (or an additional calling card if they already had one or more) within the next six months

was 18.4 %. Households having a calling card were as likely to request a calling card as those not having one.

Households having a calling card, using it, or likely to request one exhibited more positive attitudes toward calling cards than their counterparts.

Most households felt that their local telephone company was equally or more important than their long distance company. A majority also indicated that a local telephone company should offer a calling card. However, a lower proportion of the respondents expressed loyalty to their local telephone company as compared to their long distance company. Some differences were observed across segments for households possessing a calling card and those likely to request one.

Awareness of use of CONTEL services is low. While all households sampled are customers of CONTEL, only 71.5 % reported using its services. The reported use of AT&T services was even lower with 63.4 % indicating its use. The corresponding figures for MCI and US SPRINT were 2.0 %, and 3.0 %, respectively.

## 2.2 Findings of the Business Survey

Very few respondents had an MCI (3.4 %) or a US SPRINT (2.3 %) card.

The use of a telephone calling card during the last one month for local, long distance, and international calls was reported by, respectively, 8.3 %, 40.5 %, and 5.4 % of the businesses.

Familiarity with the features of a calling card was relatively low for businesses overall (52.0 %), including businesses who currently possess a calling card (42.7 %).

The quality of telephone service, ease of use, and quality of customer service are rated as the most important factors in selecting a telephone calling card. Next in order of importance are ability to make calls to/from anywhere in the US, helpful telephone operators, and getting a single bill broken down as per customer specification. Following closely is the third set of factors consisting of cost per call, and overall reputation of the firm.

Some significant differences were observed across segments. Businesses having a calling card, using one, or likely to request one attached comparatively greater importance to ease of use, and the ability to use the card to make calls to/from anywhere in the US. Their counterparts, on the other hand, placed relatively more emphasis on cost per call, and monetary rebates and discounts on telephone services. The latter businesses also had a tendency to put greater value on helpfulness of telephone operators and overall reputation of the firm.

If the businesses were to select a calling card, an overwhelming majority (87.5 %) indicated a preference for a calling card with charges for telephone calls only. This pattern was consistently observed across segments.

Most of the businesses (75.5 %) felt that in choosing a long distance company, it was important that the long distance company offer a calling card. A substantial proportion of businesses (38.0 %) strongly held this belief. Furthermore, businesses having a calling card, using one, or likely to request one placed more emphasis on this factor as compared to their counterparts.

The percentage of businesses likely to request a calling card within the next six months was 18.1 %. However, about half the businesses (52.3 %) indicated that they were very unlikely to do so. No significant differences were observed across segments.



Businesses have a positive attitude toward a calling card. The vast majority do not think it is unwise to use a calling card, nor do they fear the temptation of overspending with one. They also like its convenience and believe that the use of a calling card is good money management. Moreover, businesses with a calling card, those using one, or those likely to request one have a more positive attitude than their counterparts.

The majority of the businesses (62.0 %) indicated that a local telephone company should offer a calling card. They also felt that their local telephone company was equally or more important than their long distance company. It is significant to note that those businesses more likely to request a telephone calling card had a more positive attitude in this respect as compared to those unlikely to request a card.

While all of the businesses surveyed are customers of CONTEL, only 63.9 % reported using its services. The usage of services of AT&T, MCI, and US SPRINT was reported by, respectively, 64.4 %, 6.3 %, and 4.4 % of the businesses. Some differences were observed across segments regarding the reported usage of AT&T, and MCI services.

Businesses which have a telephone calling card, using one, or likely to request one, have a stronger regional and national orientation as compared to their counterparts.

### 3 RECOMMENDATIONS

CONTEL should consider introducing a calling card. The following findings would favor the introduction of a calling card by CONTEL.

- a. The use of major credit cards for charging telephone calls is very low.

- b. If households or businesses were to select a long distance company, a majority consider it important that a telephone company offer a calling card.
- c. Most respondents have a favorable attitude toward a calling card.
- d. Most respondents indicated that a local telephone company should offer a calling card.
- e. Most respondents believed that their local telephone company was equally or more important than their long distance company.
- f. A substantial proportion of the market (about 18 %) indicated that they were likely to request a calling card within the next six months.
- g. MCI and US SPRINT have failed to penetrate CONTEL'S market.

The following findings would sound a note of caution in introducing a calling card.

- a. About half the respondents indicated that they were very unlikely to request a calling card within the next six months. These respondents provided a response of 1 on a scale of 1 to 6. The responsiveness of such customers could possibly be changed as a result of education. This finding also implies that, if a calling card is introduced, aggressive marketing would be required to achieve penetration.
- b. AT&T appears to have achieved a significant penetration in this market.

If a calling card is offered, the following guidelines are recommended.

- a. Effort should be undertaken to educate the households and businesses with respect to the features of a telephone calling

card. As indicated earlier, relatively low familiarity was reported even by those having a calling card.

b. Only charges for telephone calls should be allowed. The introduction of a calling card which would charge utility bills or its use as a major credit card is not considered desirable.

c. The card should offer the flexibility of making calls to/from anywhere in the US.

d. In marketing the card, quality of telephone service, ease of use, and quality of customer service, and helpful telephone operators should be stressed. Getting a single bill broken down as per customer specifications is also important to the businesses. Cost sensitive segments exist in both the household and business markets. Hence, a cost advantage could be a significant weapon.

e. The calling card should be marketed aggressively to households and businesses with and without a calling card at present. These groups are equally likely to request a calling card.

CHAPTER I  
INTRODUCTION

## 1.1 INTRODUCTION

At the request of CONTEL, the College of Management, Georgia Institute of Technology, agreed to undertake a study to determine the attitudes toward and preferences for various aspects of a telephone calling card for households and businesses in the markets served by CONTEL. Professor Naresh K. Malhotra was designated as the sole and principal investigator of this project. The project was initiated in June 1987. Due to an inordinate delay in receiving the mailing labels, the project completion date was set for March 31, 1988.

## 1.2 OBJECTIVES OF THE STUDY

The broad objectives of the study were to obtain a profile of the telephone calling card holder and to assess the attitudes and preferences associated with calling cards. The study would provide information on the likelihood of success of CONTEL offering such a card. The specific objectives of the study were to provide information on the following questions.

1. To what extent are customers (households and businesses) familiar with the features of a calling card?
2. What is the profile of the calling card holder?
3. Do the holders of calling cards actually use them and to what extent?
4. For what types of calls is the calling card used?
5. What are desirable features of a calling card?
6. Does a calling card offering foster goodwill toward the company?
7. Would the customers be interested in charging other type of charges to the card?
8. Do the customers have calling cards other than AT&T?
9. How could the customers be induced to use the CONTEL calling card rather than an alternative one?

10. What are the attitudes toward a calling card?

11. What are the attitudes toward the local as compared to the long distance telephone companies?

### 1.3 ORGANIZATION OF THE REPORT

The major aspects of the design, analysis, and findings of this study are presented in the following chapters. Chapter II describes the overall research design and procedures utilized in the study. In Chapter III the results of the overall analysis of the household survey are presented. Chapter IV examines the differences in the responses of households based on whether they had a telephone calling card, used one, or were likely to request one during the next six months. In Chapter V the results of the overall analysis of the business survey are discussed. A comparative analysis of the business segments, along the lines of household analysis, is contained in Chapter VI. Finally, a summary of the major findings and recommendations are provided in Chapter VII.

## CHAPTER II

### RESEARCH DESIGN

## 2.1 OVERVIEW

This chapter discusses the research design that was adopted. The key factors involved in selecting a telephone calling card were identified. Two direct, non-disguised questionnaires, one for households and the other for businesses, were developed and pretested to ensure the adequacy of the instruments. These questionnaires were administered by mail. The data so collected were verified, coded and transcribed onto a magnetic tape. The analyses were performed on the computer. These aspects of the research design are discussed in some detail.

## 2.2 GENERATION OF FACTORS/ATTRIBUTES

Any product (or service), including a telephone calling card, is viewed by the customer as a bundle of attributes. The preferences for a product are formed on the basis of the extent to which the salient attributes are reflected in the product offerings. Thus, in order to attract customers to a product (or service), it is important to determine the attributes on which customers differentiate the alternative offerings. It was with this intent that systematic efforts were undertaken to identify the salient attributes which would be involved in the selection of a telephone calling card. The attributes and other relevant factors were identified on the basis of a review of relevant trade literature, discussions with the client, and indepth interviews with households and businesses. The following factors were identified as salient in the selection of a calling card.

1. Cost per call as compared to other cards.
2. Ability to use the card to make calls to/from anywhere in the US.
3. Ease of use.
4. Local and long distance calls included on the same bill.
5. Flexibility to charge calls from several different companies such as AT&T, MCI, US SPRINT, etc.
6. Monetary rebates and discounts on telephone services.



7. Credit points offered toward the purchase of other products.
8. Helpful telephone operators.
9. Quality of telephone service.
10. Quality of customer service.
11. The firm offering the card is the local telephone company.
12. Overall reputation of the firm.

For the business survey, factor 4 was modified to read, "getting a single bill broken down as per customer specification". An additional factor, "flexibility to limit the use of the card as per customer specification" was also included.

## 2.3 DESIGN OF THE RESEARCH INSTRUMENTS

Two structured, non-disguised questionnaires were developed, one for households and the other for businesses. Both the questionnaires were pretested to ensure that they would obtain, in an unbiased manner, the information needed for this study. These instruments were designed to obtain the following information.

1. Telephone calling card possessed.
2. Frequency of use of telephone calling cards.
3. Whether local, long distance, or international calls had been charged to a calling card or a credit card during the last two (one) months.
4. Extent of familiarity with the features of a calling card.
5. Relative importance of factors considered in selecting a calling card.
6. Preferred options as to what could be charged to the card.
7. In the choice of a long distance company, how important it was that a company offer a calling card.

8. Likelihood of requesting a calling card within the next six months.
9. Attitudes toward a telephone calling card.
10. Attitudes toward local and long distance telephone companies.
11. Usage of services offered by different telephone companies.
12. Demographic information.

## 2.4 DATA COLLECTION

The data were obtained from the households and businesses in the target market by means of mail surveys. The primary reasons for the choice of mail surveys were the low cost and the availability of mailing lists in-house. In all, 3200 questionnaires were mailed. The breakdown of the sample was as follows.

Sample Segment	Regions		
	Eastern	Central	Western
Households with AT&T card	250	250	300
Households without AT&T card	250	250	300
Businesses with AT&T card	250	250	300
Businesses without AT&T card	250	250	300

## 2.5 DATA ANALYSIS

Nonresponse bias in mail surveys can be an issue. So the first step, in analyzing the data was to examine whether there was any nonresponse bias. Nonresponse bias was checked both with respect to whether the household (business) had an AT&T calling card and with respect to the geographical region. No significant response bias was detected. For example, the proportions of households and businesses with AT&T calling cards in the final sample were, respectively 52.0 % and 53.7 %, thus closely reflecting the figure of 50.0 % in the original sample (mailings). Likewise, the pattern of returns in the geographical regions was similar to the one in the original mailings. The household sample may have an upward skew in terms of education of the respondent. However, this probably happened due to the most educated respondent in the household responding to the survey. In many instances, it was noted that the name of the respondent returning the survey was different from the one to whom the questionnaire was mailed although the address was the same. However, this should not have biased the responses of the households.

In addition to the conventional statistical techniques such as frequencies, t-tests, etc., the data were also analyzed using the sophisticated procedure of Thurstone Case V analysis. The Case V procedure was used to describe the relative importance of the salient factors considered in selecting a calling card on a scale of 0 to 1. In this analysis, the most important factor(s) is assigned a value of 1.0. The factor that is relatively the least important is assigned a value of 0.0. However, it should not be interpreted that this factor has zero importance. The zero value merely indicates that this factor is, relative to the other factors, the least important. All the remaining factors are assigned importance values ranging from 0.0 to 1.0.

These analyses were performed separately for the household and business samples. In each case, the analyses were also conducted on those who had or did not have a calling card, those who used or did not use one, and those who were likely or unlikely to request a calling card within the next six months. The results are discussed in detail in the following chapters.

CHAPTER III  
HOUSEHOLD SURVEY: OVERALL ANALYSIS

### 3.1 OVERVIEW

This chapter presents the results of analyzing the responses obtained from households. The analysis is done on the household sample as a whole. Variances between different segments of households are considered in the following chapter.

### 3.2 POSSESSION OF TELEPHONE CALLING CARDS

By far, the most popular telephone calling card is that of AT&T with 52.0 % of the households reporting possession of this card. Only 2.0 % of the households had an MCI card and the corresponding figure was 2.3 % for US SPRINT. Households with other calling cards amounted to 9.1 % of the sample (Table 3.1).

### 3.3 USE OF CALLING CARD

On a scale of 1 to 6, with 1 denoting do not use and 6 denoting use very frequently, 22.1 % of the households used the card with a frequency denoted by a 4, 5 or 6 (Table 3.2). Usage was also examined in terms of local, long distance, and international calls charged to a telephone calling card or a credit card during the last two months. As can be seen from Table 3.3, 7.0 % of the households in the sample charged local calls, 41.6 % of the sample charged long distance calls, and 3.0 % of the sample charged international calls to a telephone calling card during the last two months. In terms of calls charged to a credit card during the last two months, the corresponding figures were 1.3 %, 6.4 %, and 1.0 %, respectively, for local, long distance, and international calls (Table 3.4).

### 3.4 FAMILIARITY WITH TELEPHONE CALLING CARD

Familiarity with the telephone calling card was relatively low. On a scale of 1 to 6, with 1 denoting not familiar and 6 denoting very familiar, 58.9 % of the respondents indicated that they were not familiar with the features of a telephone calling card by providing ratings of 1, 2, or 3 (Table 3.5).

### 3.5 RELATIVE IMPORTANCE OF FACTORS CONSIDERED IN SELECTING A TELEPHONE CALLING CARD

The relative importance of factors considered in selecting a telephone calling card is described in Table 3.6 and Figure 3.1. Table 3.6 gives the mean or average importance attached to the factors when each factor was rated on a scale of 1 to 6, with 1 denoting not so important and 6 denoting very important. Figure 3.1 gives the relative importance of these factors on a 0 to 1 scale using Thurstone Case V analysis. It can be seen that the quality of telephone service is rated as the most important factor in selecting a telephone calling card. Next in order of importance are ease of use, and quality of customer service. Following closely is the third set of factors consisting of cost per call, ability to use the card to make calls to/from anywhere in the US, helpful telephone operators, and overall reputation of the firm. Next in importance is including local and long distance calls on the same bill. Of relatively less importance are monetary rebates and discounts on telephone services, flexibility to charge calls from several different long distance companies such as AT&T, MCI, US SPRINT etc., and the firm offering the card is the local telephone company. Credit points offered towards the purchase of other products was considered to be the least important in selecting a telephone calling card.

### 3.6 PREFERRED OPTIONS FOR A CALLING CARD

If the household were to select a telephone calling card, 88.1 % of the households in the sample indicated that they would prefer a calling card with charges for telephone calls only. Only 5.5 % stated preference for a calling card which would enable them to charge telephone calls as well as other items, such as utility bills, which cannot be charged to major credit cards. Finally, 6.5 % preferred a card with privileges to charge telephone calls, utilities, and all other items which can be charged to a major credit card (Table 3.7).

### 3.7 IMPORTANCE OF A LONG DISTANCE COMPANY OFFERING A CALLING CARD

If a household were to choose a long distance telephone company, how important is it that the company offer a calling card? On a scale of 1 to 6, where 1 denoted not so important and 6 very

important, 65.6 % of the respondents indicated that it was important for a company to offer a calling card by providing a response of 4, 5, or 6 (Table 3.8). In fact, the modal (most frequent) response was 6 with 32.3 % of the households falling in this category.

### 3.8 LIKELIHOOD OF REQUESTING A CALLING CARD

This variable was measured by asking how likely is your household to request a telephone calling card (or additional card if you already have one or more) within the next six months. The responses were obtained on a scale of 1 to 6 with 1 denoting not so likely and 6 very likely. The proportion of respondents indicating that they were likely to request a card within the next six months, i.e. those giving a rating of 4, 5, or 6, was 18.4 % (Table 3.9). The modal or most frequent response was a rating of 1 provided by 60.8 % of the sample.

### 3.9 RESPONDENT ATTITUDES

Respondent attitudes towards telephone calling card and local and long distance companies are depicted in Tables 3.10 to 3.17. The attitudes may be described as follows.

#### Attitudes Towards Calling Card

- \* Most respondents (82.3 %) do not think it is unwise to use telephone calling cards.
- \* A vast majority of the respondents (69.1 %) like the convenience of a telephone calling card.
- \* Most respondents (78.5 %) do not fear the temptation of overspending with a calling card.
- \* Respondents are roughly evenly divided on the use of a calling card being good money management.

#### Attitudes Towards Telephone Companies

- \* About half (50.3 %) expressed loyalty for their long distance telephone company.

- \* A majority of the respondents (61.8 %) indicated that a local telephone company should offer a calling card.
- \* Less than half (41.2 %) expressed loyalty for their local telephone company.
- \* Most respondents felt that their local telephone company was equally or more important than their long distance company. Only 24.5 % felt that their long distance company was more important.

### 3.10 USE OF TELEPHONE COMPANIES' SERVICES

The reported usage of the services of different telephone companies is given in Table 3.18. While, all the households are customers of CONTEL, only 71.5 % reported using its services. The usage of services of AT&T, MCI, US SPRINT was reported by, respectively, 63.4 %, 2.0 %, and 3.0 % of the households.

### 3.11 USE OF OTHER CHARGE CARDS

As shown in Table 3.19, 63.4 % of the households in the sample used bank charge cards, 52.0 % store charge cards, 32.9 % oil company cards, 21.8 % travel and entertainment cards, and 6.4 % reported using other charge cards.

### 3.12 USE OF AUTOMATIC TELLER MACHINES

The use of automatic teller machines was reported by 21.9 % of the households who indicated a response of 4, 5 or 6 on a six point scale measuring the frequency of use.

### 3.13 DEMOGRAPHIC PROFILE

- \* The sample was balanced in terms of sex with 47.4 % of the respondents being males.



- \* The proportion of married respondents was 75.1 % (Table 3.20).
- \* The average number of family members living at home was 2.8.
- \* In terms of education, 6.2 % had below high school, 29.1 % were high school graduates, 31.2 % had some college, and 33.6 % were college graduates (Table 3.21)
- \* The average age was 46.7 years.
- \* While the income question was optional, 87.9 % responded. The income distribution is shown in Table 3.22.

CHAPTER IV

DIFFERENCES BETWEEN HOUSEHOLD SEGMENTS

## 4.1 OVERVIEW

In this chapter we examine the differences between household segments. Three different, yet complementary, segmentation schemes are examined. First the households are segmented on the basis of whether they possess a calling card. The differences between the households possessing a calling card and those not possessing one are examined. The second basis of segmentation is whether the household charged a local, long distance, or international call during the last two months. Finally, we segment and examine the differences between households likely to request a calling card within the next six months and those who are unlikely to do so.

## 4.2 HOUSEHOLDS POSSESSING CALLING CARDS VS. THOSE WHO DO NOT

Of the 298 households in the sample, 183 (or 61.4 %) reported that they had one or more telephone calling cards. The statistically significant differences between these and those households who did not have a calling card are discussed.

### 4.2.1 Charging Calls to Credit Cards

Households possessing calling cards had a greater tendency to charge calls to a credit card. Specifically, 8.7 % of such households charged long distance calls to a credit card as compared to a corresponding figure of 2.6 % for households without a calling card.

### 4.2.2. Familiarity With Calling Card Features

As expected, households with a calling card were significantly more familiar with the features of a calling card as compared to their counterparts. The mean familiarity ratings for households with a calling card was 3.9 on a six point scale whereas the mean rating for households without a calling card was only 1.8. The distribution of familiarity ratings for households with calling cards is given in Table 4.1. It can be seen from this table that even 42.9 % of such households are not familiar with the features of a calling card.

#### 4.2.3 Relative Importance of Factors Considered in Selecting a Calling Card

The relative importance of factors considered in selecting a telephone calling card for households with a card is given in Figure 4.1 while Figure 4.2 gives the importance attached by households without a card. Some significant differences are observed. Households with a calling card attach relatively greater importance to ease of use, and the ability to use the card to make calls to/from anywhere in the US. On the other hand, those without a calling card accord relatively greater importance to cost per call, and monetary rebates and discounts on telephone services. Thus, households without a calling card are more cost/price sensitive. Such households also place greater importance on the overall reputation of the firm as compared to those with a calling card.

#### 4.2.4 Importance of a Long Distance Firm Offering a Calling Card

In choosing a long distance company, households with a calling card attach significantly greater importance (mean rating = 4.8) to a company offering a calling card as compared to those without a card (mean rating = 2.9).

However, no significant difference was observed in the likelihood of requesting a card within the next six months.

#### 4.2.5 Attitude Towards Calling Card

The mean attitude ratings for households with and without telephone cards are summarized in Table 4.2. Households with a calling card have a significantly more positive attitude towards a calling card. The following points are worth noting.

- \* Despite a significant difference, both groups do not believe that it is unwise to use a calling card.
- \* Households without a calling card do not like its convenience while those with a card enjoy this benefit.
- \* The fear of overspending with a calling card is not a major

concern for both the groups, although it is more of a factor for households without a calling card.

- \* Quite apart from their counterparts, households without a calling card do not think that using a calling card is good money management.

#### 4.2.6. Attitude Toward Telephone Companies

The attitudes towards telephone companies are described in Table 4.3. The following observations are made.

- \* Households with a calling card feel a higher degree of loyalty towards their long distance company.
- \* However, no difference is observed in loyalty towards the local telephone company. Also, there is no difference in terms of importance attached to the long distance versus the local telephone company.
- \* Those with a calling card believe more strongly that a local telephone company should offer a calling card.

#### 4.2.7 Use of Telephone Companies' Services

While 78.1 % of the households with a calling card reported using the services of AT&T, only 40.0 % of households without a calling card reported the same. The difference in the usage of CONTEL services was not significant.

#### 4.2.8 Use of Other Charge Cards and ATMs

Households with a calling card reported significantly greater use of bank charge cards ( 76.0 % vs. 43.5 %), store charge cards (56.8 % vs. 44.4 %), oil company cards (44.3 % vs. 14.8 %), and travel and entertainment cards ( 29.0 % vs. 10.4 %). They also reported a significantly higher frequency of use of automatic teller machines (ATMs).

#### 4.2.9 Demographic Profile

Households with a calling card had a significantly higher percentage of married respondents (79.6 vs. 67.9). They also reported higher education and income levels.

### 4.3 HOUSEHOLDS USING CALLING CARDS VS. THOSE WHO DO NOT

Of the 298 households in the sample, 124 or 41.6 % had charged a local, long distance and/or international call during the last two months. As may be expected, such households reported a significantly higher possession of AT&T cards (84.1 % vs. 28.5 %). As a validity check, they also reported a significantly higher frequency of use on a scale of 1 to 6 (mean rating = 3.5 vs. 1.7 for their counterparts). The statistically significant differences between households who used a calling card during the last two months as compared to those who did not are reported.

#### 4.3.1 Familiarity With Calling Card Features

Those using a calling card within the last two months reported a significantly higher level of familiarity with the calling card features ( mean rating = 4.3 vs. 2.3 for those not using it).

#### 4.3.2 Relative Importance of Factors Considered in Selecting a Calling Card

Figures 4.3 and 4.4 describe, respectively, the relative importance attached to the various factors by households who used a calling card during the last two months and those who did not. Households who used the card attach relatively greater importance to ease of use, and the ability to use the card to make calls to/from anywhere in the US. On the other hand, those who did not use the card place a greater emphasis on the cost per call, monetary rebates and discounts, and helpful telephone operators. These households are found to be more cost/price sensitive as compared to those who used the card.

#### 4.3.3 Importance of a Long Distance Firm Offering a Calling Card

In choosing a long distance company, households who used a calling card would attach much greater importance to a company offering a telephone calling card (mean rating = 5.0) as compared to households not using a card (mean rating = 3.4)

#### 4.3.4 Attitude Towards Calling Card

The attitudes of households using a calling card and those not using one are summarized in Table 4.4. From this table, the following differences can be observed.

- \* Despite a significant difference, neither group believes that it is unwise to use a calling card.
- \* Households not using a calling card do not particularly like its convenience while those with a card enjoy this benefit.
- \* The fear of overspending with a calling card is not a major concern for either of the groups, although it is more of a factor for households not using a calling card.
- \* Quite apart from their counterparts, households not using a calling card do not think that using a calling card is good money management.

#### 4.3.5 Attitude Toward Telephone Companies

No significant differences were found in attitudes toward telephone companies of households who used a calling card as compared to those who did not.

#### 4.3.6 Use of Telephone Companies' Services

Of the households using a calling card, 78.6 % reported using services of AT&T. The corresponding figure for households not using a telephone card was 52.3 %. No significant differences were observed in the proportion reporting the use of CONTEL'S services.

#### 4.3.7 Use of Other Charge Cards and ATMs

Households using a calling card also showed a significantly greater use of bank charge cards ( 79.4 % vs. 51.7 %), store charge cards (61.1 % vs. 45.4 %), oil company cards (44.4 % vs. 24.4 %), and travel and entertainment cards ( 30.2 % vs. 15.7 %). No significant difference was observed in terms of the frequency of use of automatic teller machines (ATMs).

#### 4.3.8 Demographic Profile

Households using a calling card reported a significantly higher percentage of male respondents ( 54.8 % vs. 42.0 %), married respondents (79.8 % vs. 71.6 %), and lower age ( 44.1 years vs. 48.6 years). They also had higher education and income levels.

### **4.4 HOUSEHOLDS LIKELY TO REQUEST A CALLING CARD VS. THOSE WHO ARE NOT**

Of the 293 households who responded to this question, 54 or 18.4 % indicated that they were likely to request a telephone calling card (or an additional card if they already had one or more) within the next six months. The differences between these households and those who were not likely to request a calling card are indicated in the following.

#### 4.4.1 Possession of Calling Cards

There was no significant difference in terms of possession of AT&T, MCI, US SPRINT or other calling cards between households likely to request a calling card and those unlikely to do so.

#### 4.4.2 Charging Calls to Credit Cards

The two groups did not differ in terms of local, long distance or international calls charged to a calling card during the last two months. However, more households in the likely to request a calling card group had charged long distance calls to a credit card ( 41.8 % vs. 4.6 %). Such households perceived that they used the telephone



calling card to a greater extent as compared to those unlikely to request a calling card (mean frequency of use = 3.0 vs. 2.3).

#### 4.4.3 Familiarity With Calling Card Features

The difference with respect to familiarity with calling card features was not found to be significant.

#### 4.4.4 Relative Importance of Factors Considered in Selecting a Calling Card

Figure 4.5 and Figure 4.6 give, respectively, the relative importance attached to factors considered in selecting a card by households likely to request a calling card and those unlikely to do so. Several significant differences were found. Those likely to request a calling card attached relatively greater importance to ease of use, ability to make calls to/from anywhere in the US, and flexibility to charge calls from several different long distance companies. On the other hand, households unlikely to request a calling card placed more importance on quality of customer service, and helpful telephone operators.

#### 4.4.5 Importance of a Long Distance Firm Offering a Calling Card

When selecting a long distance company, those likely to request a calling card place much greater importance on a long distance company offering a calling card (mean importance rating = 5.1) as compared to households unlikely to request a card (mean = 3.8).

#### 4.4.6 Attitude Towards Calling Card

The attitudes toward calling card of households likely to request a calling card as well as those unlikely to do so are summarized in Table 4.5.

The following significant differences are observed.

- \* While neither group thinks it is unwise to use a calling card, those likely to request a card have a more favorable attitude.
- \* Those likely to request a card like the convenience of a calling card to a significantly greater extent.

- \* Unlike their counterparts, those likely to request a card believe that using a calling card is good money management.

#### 4.4.7. Attitude Toward Telephone Companies

Table 4.6 summarizes the attitudes of both the groups towards telephone companies. The following differences are observed between those likely to request a card and those unlikely to do so.

- \* Those likely to request a card feel much more strongly that a local company should offer a calling card.
- \* Neither group believes that the long distance company is more important than the local company. However, those likely to request a card have a slightly higher rating for this question. The differences with respect to loyalty toward long distance or local telephone companies were not found to be significant.

#### 4.4.8 Use of Telephone Companies' Services

The only significant difference was in the services of CONTEL. While 59.3 % of the households likely to request a calling card reported using the services of CONTEL, 74.9 % of those unlikely to request reported the same.

#### 4.4.9 Use of Other Charge Cards and ATMs

No significant differences were observed in the use of other charge cards or the use of ATMs.

#### 4.4.10 Demographic Profile

The only significant demographic difference was in terms of age, with those likely to request a calling card being younger (average age = 41.1 vs. 47.8 years).

CHAPTER V  
BUSINESS SURVEY: OVERALL ANALYSIS

## 5.1 OVERVIEW

This chapter presents the results of analyzing the responses obtained in the business survey. The analysis is done on the business sample as a whole. Differences between different business segments are considered in the following chapter.

## 5.2 POSSESSION OF TELEPHONE CALLING CARDS

By far, the most popular telephone calling card is that of AT&T with 53.7 % of the businesses reporting possession of this card. Only 3.4 % of the households had an MCI card and the corresponding figure was 2.4 % for US SPRINT. Businesses with other calling cards amounted to 10.7 % of the sample (Table 5.1). The distribution of the number of AT&T accounts held is given in Table 5.2. As can be seen, for those having an AT&T account, the dominant pattern is to have a single account. However, as Table 5.3 indicates, such businesses are likely to have one or two cards.

## 5.3 USE OF CALLING CARD

On a scale of 1 to 6, with 1 denoting do not use and 6 denoting use very frequently, 33.5 % of the businesses used their calling card with a frequency denoted by 4, 5 or 6 (Table 5.4). Usage was also examined in terms of local, long distance, and international calls charged to a telephone calling card or a credit card during the last one month. As can be seen from Table 5.5, 8.3 % of the businesses in the sample charged local calls, 40.5 % of the sample charged long distance calls, and 5.4 % of the sample charged international calls to a telephone calling card during the last one month. In terms of calls charged to a credit card during the last one month, the corresponding figures were 3.9 %, 16.6 %, and 2.0 %, respectively, for local, long distance, and international calls (Table 5.6).

## 5.4 FAMILIARITY WITH TELEPHONE CALLING CARD

Familiarity with the features of a telephone calling card was relatively low. On a scale of 1 to 6, with 1 denoting not familiar and 6 denoting very familiar, 52.0 % of the respondents indicated that they

were not familiar with the features of a telephone calling card by providing ratings of 1, 2, or 3 (Table 5.7).

### 5.5 RELATIVE IMPORTANCE OF FACTORS CONSIDERED IN SELECTING A TELEPHONE CALLING CARD

The relative importance of factors considered in selecting a telephone calling card is described in Table 5.8 and Figure 5.1. This table gives the average importance attached to the factors when each factor was rated on a scale of 1 to 6, with 1 denoting not very important and 6 denoting very important. Figure 5.1 gives the relative importance of these factors on a 0 to 1 scale using Thurstone Case V analysis. The quality of telephone service, ease of use, and quality of customer service are rated as the most important factors in selecting a telephone calling card. Next in order of importance are ability to make calls to/from anywhere in the US, helpful telephone operators, and getting a single bill broken down as per customer specification. Following closely is the third set of factors consisting of cost per call, and overall reputation of the firm. Next in importance are flexibility to limit the use of the card, and monetary rebates and discounts. Both obtaining a card from the local telephone company, as well as flexibility to use different carriers were rated quite low in average relative importance in selecting a card. Credit points offered towards the purchase of other products was considered to be the least important in selecting a telephone calling card.

### 5.6 PREFERRED OPTIONS FOR A CALLING CARD

If the business were to select a telephone calling card, 87.5 % of the businesses in the sample indicated that they would prefer a calling card with charges for telephone calls only. The remaining 12.5 % stated a preference for a calling card which would enable them to charge telephone calls as well as other items which can be charged to a major credit card (Table 5.9).

## 5.7 IMPORTANCE OF A LONG DISTANCE COMPANY OFFERING A CALLING CARD

If a business were to choose a long distance telephone company, how important is it that a company offer a calling card? On a scale of 1 to 6, where 1 denoted not so important and 6 very important, 75.5 % of the respondents indicated that it was important for a company to offer a calling card by providing a response of 4, 5, or 6 (Table 5.10 ). In fact, the most frequent response was 6, with 38.0 % of the businesses falling in this category.

## 5.8 LIKELIHOOD OF REQUESTING A CALLING CARD

This variable was measured by asking how likely is your business to request a telephone calling card (or additional card if you already have one or more) within the next six months. The responses were obtained on a scale of 1 to 6 with 1 denoting not very likely and 6 very likely. The proportion of respondents indicating that they were likely to request a card within the next six months ( i.e. those giving a rating of 4, 5, or 6) was 18.1 % (Table 5.11). The most frequent response was a rating of 1 (not very likely) provided by 52.3 % of the sample.

## 5.9 BUSINESS ATTITUDES

Business attitudes toward telephone calling cards and local and long distance companies are depicted in Tables 5.12 to 5.19. The attitudes may be described as follows:

### Attitudes Towards Calling Card

- \* Only 14.6 % think it is unwise to use a calling card.
- \* The vast majority of the respondents (81.8 %) like the convenience of a telephone calling card.
- \* Most respondents (80.9 %) do not fear the temptation of overspending with a calling card.
- \* The majority of the respondents (61.5 %) believe that the use

of a calling card is good money management.

#### Attitudes Towards Telephone Companies

- \* Less than half (39.4 %) of the respondents expressed loyalty to their long distance telephone company.
- \* A majority of the respondents (62.0 %) indicated that a local telephone company should offer a calling card.
- \* Less than half (34.0 %) of the respondents expressed loyalty to their local telephone company.
- \* Most respondents felt that their local telephone company was equally or more important than their long distance company. Only 30.3 % felt that their long distance company was more important.

#### 5.10 USE OF TELEPHONE COMPANIES' SERVICES

The reported usage of the services of different telephone companies is given in Table 5.20. While all of the businesses are customers of CONTEL, only 63.9 % reported using its services. The usage of services of AT&T, MCI, US SPRINT was reported by, respectively, 64.4 %, 6.3 %, and 4.4 % of the businesses.

#### 5.11 USE OF AUTOMATIC TELLER MACHINES

The use of automatic teller machines was reported by 18.0 % of the respondents who indicated a response of 4, 5 or 6 on a six point scale measuring the frequency of use.

#### 5.12 DEMOGRAPHIC PROFILE

- \* The distribution of the number of employees is given in Table 5.21. As shown, about 70.0 % of the businesses have 10 or less employees.
- \* Table 5.22 gives the distribution of the type of customers responding to the survey. Half of the businesses (50.0 %)

served local customers, 34.9 % served regional customers, 13.0 % saw their market as national, and 2.1 % of the businesses operated in an international market.



**CHAPTER VI**  
**DIFFERENCES BETWEEN BUSINESS SEGMENTS**

## 6.1 OVERVIEW

In this chapter we examine the differences between business segments. As in the case of households, three different, yet complementary, segmentation schemes are examined. First the businesses are segmented on the basis of whether they possess a calling card. The differences between the businesses possessing a calling card and those not possessing one are examined. The second basis of segmentation is whether the business charged local, long distance, or international calls to the telephone calling card during the last one month. Finally, we segment and examine the differences between businesses likely to request a calling card within the next six months and those who are unlikely to do so.

## 6.2 BUSINESSES POSSESSING CALLING CARDS VS. THOSE WHO DO NOT

Of the 199 businesses in the sample who responded, 131 (or 65.5 %) reported that they had one or more telephone calling cards. The differences in variables related to the possession of calling card such as number of calling card accounts, total number of calling cards, and calls charged to a calling card were obviously significant and are not discussed. The other statistically significant differences between businesses who had and those who did not have a calling card are discussed in the following.

### 6.2.1 Charging Calls to Credit Cards

There was no significant difference between the two segments in terms of local, long distance or international calls charged to a credit card.

### 6.2.2. Familiarity With Calling Card Features

As expected, businesses with a calling card were significantly more familiar with the features of a calling card as compared to their counterparts. The average familiarity ratings for businesses with a calling card was 3.9 on a six point scale whereas the average rating for businesses without a calling card was 2.8. The distribution of familiarity ratings for businesses with calling cards is given in Table

6.1. This table indicates that even 42.7 % of businesses with cards are not familiar with the features of a calling card.

#### 6.2.3 Relative Importance of Factors Considered in Selecting a Calling Card

The relative importance of factors considered in selecting a telephone calling card for businesses with a card is given in Figure 6.1 whereas Figure 6.2 gives the importance attached by businesses without a card. Some significant differences are observed. Businesses with a calling card attach relatively greater importance to ease of use, and the ability to use the card to make calls to/from anywhere in the US. On the other hand, those without a calling card place relatively greater importance to the cost per call, and monetary rebates and discounts on telephone services. Thus, businesses without a calling card are more cost/price sensitive. Such businesses also place greater importance on the overall reputation of the firm as compared to those with a calling card.

#### 6.2.4 Importance of a Long Distance Firm Offering a Calling Card

In choosing a long distance company, businesses with a calling card attach significantly greater importance (mean rating = 4.9) to a company offering a calling card as compared to those without a card (mean rating = 3.8).

However, no significant difference was observed in the likelihood of requesting a card within the next six months.

#### 6.2.5 Attitude Towards Calling Card

The mean attitude rating for businesses with and without telephone cards are summarized in Table 6.2. Businesses with a calling card have a significantly more positive attitude toward a calling card. The following points are worth noting:

- \* Despite a significant difference, both groups do not believe that it is unwise to use a calling card.
- \* Businesses with a calling card like its convenience

significantly more than those without a card.

- \* The fear of overspending with a calling card is not a major concern for either of the groups, although it is more of a factor for businesses without a calling card.
- \* Businesses with a calling card are stronger in their belief that using a calling card is good money management.

#### 6.2.6. Attitude Toward Telephone Companies

There were no significant differences in attitude toward telephone companies of businesses with or without a telephone calling card.

#### 6.2.7 Use of Telephone Companies' Services

Whereas 77.1 % of the businesses with a calling card reported using the services of AT&T, only 42.7 % of businesses without a calling card reported the same. The difference in the usage of CONTEL and services of other firms was not significant.

#### 6.2.8 Demographic Profile

Businesses without a telephone calling card tend to have a much stronger local orientation. On the other hand, businesses with a calling card have more regional and national customers (Table 6.3).

### 6.3 BUSINESSES USING CALLING CARDS VS. THOSE WHO DO NOT

Of the 205 businesses who responded, 85 or 41.5 % had charged a local, long distance and/or international call during the last one month. As may be expected, such businesses reported a significantly higher possession of AT&T cards (76.5 % vs. 37.5 %). As a validity check, they also reported a significantly higher frequency of use on a scale of 1 to 6 (mean rating = 3.9 vs. 1.8 for their counterparts). The statistically significant differences between businesses who used a calling card during the last one month as compared to those who did not are reported in the following.

### 6.3.1 Familiarity With Calling Card Features

Those using a calling card within the last one month reported a significantly higher level of familiarity with calling card features ( mean rating = 4.1 vs. 3.1 for those not using it).

### 6.3.2 Relative Importance of Factors Considered in Selecting a Calling Card

Figures 6.3 and 6.4 describe, respectively, the relative importance attached to the various factors by businesses who used a calling card during the last one month and those who did not. Businesses who used the card attach relatively greater importance to ease of use, and the ability to use the card to make calls to/from anywhere in the US. On the other hand, those who did not use the card placed a greater emphasis on the cost per call, monetary rebates and discounts, and helpful telephone operators, overall reputation of the firm, and flexibility to limit the use of the card. These businesses are found to be more cost/price sensitive as compared to those who used the card.

### 6.3.3 Importance of a Long Distance Firm Offering a Calling Card

In choosing a long distance company, businesses who used a calling card would attach much greater importance to a company offering a telephone calling card (mean rating = 5.2) as compared to businesses not using a card (mean rating = 4.0).

No significant difference was observed in terms of likelihood of requesting a calling card within the next six months.

### 6.3.4 Attitude Toward Calling Cards

The attitudes of businesses using a calling card and those not using one are summarized in Table 6.4. Businesses using a calling card have more favorable attitudes. From this table, the following differences can be observed.

- \* Despite a significant difference, both groups do not believe that it is unwise to use a calling card.

- \* Businesses using a calling card like its convenience
- \* The fear of overspending with a calling card is not a major concern for either of the groups, although it is more of a factor for businesses not using a calling card.

#### 6.3.5 Attitude Toward Telephone Companies

The only significant difference in attitude toward a telephone company was in terms of the importance attached to the long distance company vs. the local telephone company. While, those not using a calling card had a more favorable attitude towards the local telephone company, the attitude of businesses using a card was neutral.

#### 6.3.6 Use of Telephone Companies' Services

Of the businesses using a calling card, 77.7 % reported using services of AT&T. The corresponding figure for businesses not using a telephone card was 55.0 %. No significant differences were observed in the proportion reporting the use of CONTEL'S services or services of other firms.

#### 6.3.7 Demographic Profile

Businesses not using a telephone calling card tended to have a much stronger local orientation. On the other hand, businesses with a calling card have more regional and national customers (Table 6.5 ).

### 6.4 BUSINESSSES LIKELY TO REQUEST A CALLING CARD VS. THOSE WHO ARE NOT

Of the 199 businesses who responded to this question, 36 or 18.1 % indicated that they were likely to request a telephone calling card (or an additional card if they already had one or more) within the next six months. The differences between these businesses and

those who were not likely to request a calling card are indicated in the following.

#### 6.4.1 Possession of Calling Cards

There was no significant difference in terms of possession of calling cards, number of accounts, or total number of cards except that businesses unlikely to request a card had higher number of AT&T accounts (average = 0.76 vs. 0.44).

#### 6.4.2 Charging Calls to Telephone Calling or Credit Cards

The two groups did not differ in terms of local, long distance or international calls charged to a calling card or a credit card during the last one month.

However businesses likely to request a calling card perceived that they used the telephone calling card to a greater extent as compared to those unlikely to request a calling card (mean frequency of use = 3.4 vs. 2.7 ).

#### 6.4.3 Familiarity With Calling Card Features

The difference with respect to familiarity with calling card features was not found to be significant.

#### 6.4.4 Relative Importance of Factors Considered in Selecting a Calling Card

Figure 6.5 and Figure 6.6 give, respectively, the relative importance attached to factors considered in selecting a card by businesses likely to request a calling card and those unlikely to do so. While some significant differences were observed, the overall pattern was similar for both groups.

#### 6.4.5 Importance of a Long Distance Firm Offering a Calling Card

When selecting a long distance company, those likely to request a calling card place much greater importance on a long distance company offering a calling card (mean importance rating = 5.4) as compared to businesses unlikely to request a card (mean =4.3).

#### 6.4.6 Attitude Towards Calling Card

The attitude toward calling card of businesses likely to request a calling card as well as those unlikely to do so are summarized in Table 6.6. The following significant differences are observed:

- \* Those likely to request a card like the convenience of a calling card to a significantly greater extent.
- \* Those likely to request a card believe more strongly that using a calling card is good money management.

#### 6.4.7. Attitude Toward Telephone Companies

Table 6.7 summarizes the attitudes of both the groups towards telephone companies. The following differences are observed between those likely to request a card and those unlikely to do so.

- \* Those likely to request a card feel much more strongly that a local company should offer a calling card.
- \* Both groups do not believe that the long distance company is more important than the local company. However, those likely to request a card have a more positive attitude in this respect. The differences with respect to loyalty toward long distance or local telephone companies were not found to be significant.



#### 6.4.8 Use of Telephone Companies' Services

The only significant difference was in the services of MCI. While 16.7 % of the businesses likely to request a calling card reported using the services of MCI, only 4.3 % of those unlikely to request a calling card reported the same.

#### 6.4.9 Demographic Profile

The major difference was that those likely to request a calling card have more national customers (Table 6.8) .

CHAPTER VII  
SUMMARY AND RECOMMENDATIONS

## 7.1 OVERVIEW

This chapter presents a summary of the major findings of the project. We provide general conclusions with respect to the overall objectives of the project. The implications of these findings are also discussed and recommendations made.

## 7.2 SUMMARY OF MAJOR FINDINGS

### 7.2.1 Findings of the Household Survey

About half the households (52.0 %) in the final sample possessed an AT&T calling card. This, of course, is a function of the sample selection process in that the mailing list contained 50.0 % households possessing an AT&T card. However, the incidence of MCI and US SPRINT calling cards was very low with, respectively, 2.0 % and 2.3 % of the households possessing these cards.

Those owning telephone calling cards tend to use them for making long distance calls. In the sample, 41.6 % of the households had charged a long distance call, 7.0 % had charged local calls, and 3.0 % of the households had charged an international call within the last two months.

The use of credit cards for charging telephone calls was much less prevalent. The percentage of households charging long distance, local, and international calls were 6.4 %, 1.3 %, and 1.0% respectively.

Relatively low familiarity with the calling card was reported. As many as 58.9 % of the households in the sample indicated that they were not familiar with the features of a telephone calling card.

The quality of telephone service is rated as the most important factor in selecting a telephone calling card. Next in order of importance are ease of use, and quality of customer service.

Following closely is the third set of factors consisting of cost per call, ability to use the card to make calls to/from anywhere in the US, helpful telephone operators, and overall reputation of the firm.

However, some significant differences were observed across segments. Households having a card, or using a calling card, or likely to request one were more convenience oriented putting relatively greater emphasis on ease of use, and the ability to use the card to make calls to/from anywhere in the US. In addition, those likely to request a card also attached relatively more importance to the flexibility to charge calls from several different long distance companies. On the other hand, households not having a card or not using one were more cost/price sensitive and placed comparatively more importance on the cost per call and monetary rebates and discounts on telephone services.

If the households were to select a telephone calling card, a vast majority (88.1 %) indicated that they would prefer a calling card with charges for telephone calls only. The use of a telephone calling card to charge other items, such as utility bills, which cannot be charged to major credit card, or its use as a major credit card was not considered desirable. This finding was consistently observed across all segments.

If the households were to select a long distance telephone company, majority (65.6 %) considered it important that a telephone company offer a calling card. In fact, a substantial proportion of the households (32.3 %) believed this factor to be very important and provided a rating of 6 on a scale of 1 to 6. Households having a calling card, using one, or likely to request one within the next six months considered this factor to be more important than their counterparts.

The percentage of respondents indicating that they were likely to request a telephone calling card (or an additional calling card if they already had one or more) within the next six months was 18.4 %. No significant differences were observed in the likelihood of requesting a card with respect to possession or

use of a calling card. In other words, households having a calling card were as likely to request a calling card as those not having one. The same was true with respect to those using and not using a telephone calling card. A majority of the respondents (60.8 %) indicated that they were very unlikely to request a calling card within the next six months by providing a rating of 1 on a scale of 1 to 6.

Most respondents have favorable attitudes toward a telephone calling card. They do not think that it is unwise to use a calling card or fear the temptation of overspending by using it. A vast majority like the convenience of using a calling card. Households were roughly evenly divided on the use of a calling card being good money management.

However, significant differences were observed across segments. Households having a calling card, using it, or likely to request one exhibited more positive attitudes than their counterparts.

In terms of attitudes toward telephone companies, most households felt that their local telephone company was equally or more important than their long distance company. A majority also indicated that a local telephone company should offer a calling card. However, a fewer proportion of the respondents expressed loyalty for their local telephone company as compared to their long distance company. Some differences were observed across segments for households possessing a calling card and those likely to request one.

Awareness of use of CONTEL services is low. While all households are customers of CONTEL, only 71.5 % reported using its services. The reported use of AT&T services was even lower with 63.4 % indicating its use. The corresponding figures for MCI and US SPRINT were a mere 2.0 %, and 3.0 %, respectively.

A majority of the households indicated the use of bank charge cards and store charge cards. About one-third also indicated the use of oil company cards.

### 7.2.2 Findings of the Business Survey

About half (53.7 %) of the businesses reported the possession of an AT&T card reflecting the composition of such businesses in the original sample. For these businesses, the dominant pattern was to have a single account and they were likely to have one or two telephone calling cards.

Very few (3.4 %) had an MCI card or a US SPRINT card (2.3 %).

The use of a telephone calling card during the last one month for local, long distance, and international calls was reported by, respectively, 8.3 %, 40.5 %, and 5.4 % of the businesses.

Familiarity was relatively low, with about half (52.0 %) of the businesses indicating that they were not familiar with the features of a telephone calling card. This was true also for businesses possessing a calling card with 42.7 % of such businesses indicating unfamiliarity with the features of a calling card.

The quality of telephone service, ease of use, and quality of customer service are rated as the most important factors in selecting a telephone calling card. Next in order of importance are ability to make calls to/from anywhere in the US, helpful telephone operators, and getting a single bill broken down as per customer specification. Following closely is the third set of factors consisting of cost per call, and overall reputation of the firm.

Some significant differences were observed across segments. Businesses having a calling card, using one, or likely to request one attached comparatively greater importance to ease of use, and the ability to use the card to make calls

to/from anywhere in the US. Their counterparts, on the other hand, placed relatively more emphasis on cost per call, and monetary rebates and discounts on telephone services. The latter businesses also had a tendency to put greater value on helpfulness of telephone operators and overall reputation of the firm.

If the businesses were to select a calling card, an overwhelming majority (87.5 %) indicated a preference for a calling card with charges for telephone calls only. This pattern was consistently observed across segments.

Most of the businesses (75.5 %) also felt that in choosing a long distance company, it was important that a company offer a calling card. A substantial proportion of businesses (38.0 %) strongly held this belief. Furthermore, businesses having a calling card, using one, or likely to request one placed more emphasis on this factor as compared to their counterparts.

The percentage of businesses likely to request a calling card within the next six months was 18.1 %. However, about half the businesses (52.3 %) indicated that they were very unlikely to do so. No significant differences were observed across segments.

Businesses have positive attitudes toward a calling card. A vast majority do not think it is unwise to use a calling card, nor do they fear the temptation of overspending with one. They also like its convenience and believe that the use of a calling card is good money management. Moreover, businesses with a calling card, those using one, or those likely to request one have more positive attitudes than their counterparts.

A majority of the businesses (62.0 %) indicated that a local telephone company should offer a calling card. They also felt their local telephone company was equally or more important than their long distance company. It is significant to note that businesses likely to request a telephone calling card had more

positive attitudes in this respect as compared to those unlikely to request a card.

While all the businesses are customers of CONTEL, only 63.9 % reported using its services. The usage of services of AT&T, MCI, and US SPRINT was reported by, respectively, 64.4 %, 6.3 %, and 4.4 % of the businesses. Some differences were observed across segments regarding the reported usage of AT&T, and MCI services.

Businesses having a telephone calling card, using one, or likely to request one, have a stronger regional and national orientation as compared to their counterparts.

### 7.3 RECOMMENDATIONS

Effort should be undertaken to educate the households and businesses with respect to the features of a telephone calling card. As indicated earlier, relatively low familiarity was reported even by those having a calling card.

Effort should also be undertaken to educate the customers with respect to the services offered by CONTEL. A substantial proportion of households and businesses were unaware of the fact that they were using CONTEL'S services.

CONTEL should consider introducing a calling card. The following findings would favor the introduction of a calling card by CONTEL.

- a. The use of credit cards for charging telephone calls is very low.
- b. If households or businesses were to select a long distance company, a majority consider it important that a telephone company offer a calling card.



- c. Most respondents have a favorable attitudes toward a calling card.
- d. Most respondents indicated that a local telephone company should offer a calling card.
- e. Most respondents believed that their local telephone company was equally or more important than their long distance company.
- f. A substantial proportion of the market (about 18 %) indicated that they were likely to request a calling card within the next six months.
- g. MCI and US SPRINT have failed to penetrate CONTEL'S market.

The following findings would sound a note of caution in introducing a calling card.

- a. About half the respondents indicated that they were very unlikely to request a calling card within the next six months. These respondents provided a response of 1 on a scale of 1 to 6. The responsiveness of such customers could possibly be changed as a result of education. This finding also implies that, if a calling card is introduced, aggressive marketing would be required to achieve penetration.
- b. AT&T appears to have achieved a significant penetration in this market.

If a calling card is offered, the following guidelines are recommended.

- a. Only charges for telephone calls should be allowed. The introduction of a calling card which would charge utility bills or its use as a major credit card is not considered desirable.

b. The card should offer the flexibility of making calls to/from anywhere in the US.

c. In marketing the card, quality of customer service, ease of use, and quality of customer service, and helpful telephone operators should be stressed. Getting a single bill broken down as per customer specifications is also important to the businesses. Cost sensitive segments exist in both the household and business markets. Hence, a cost advantage could be a significant weapon.

d. The calling card should be marketed aggressively to households and businesses with and without a calling card at present. These groups are equally likely to request a calling card.

TABLE 3.1  
TELEPHONE CALLING CARD POSSESSION

LONG DISTANCE COMPANY	PERCENTAGE OF HOUSEHOLDS WITH
AT&T	52.0
MCI	2.0
US SPRINT	2.3
OTHERS	9.1

TABLE 3.2  
FREQUENCY OF USE OF TELEPHONE CALLING CARDS

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
DO NOT USE		1	121	40.6	41.7	41.7
		2	45	15.1	15.5	57.2
		3	60	20.1	20.7	77.9
		4	21	7.0	7.2	85.2
USE FREQUENTLY		5	16	5.4	5.5	90.7
		6	27	9.1	9.3	100.0
		9	8	2.7	MISSING	
		TOTAL	298	100.0	100.0	
MEAN	2.472	MEDIAN	2.000	MODE		1.000
VALID CASES	290	MISSING CASES	8			

TABLE 3.3

CALLS CHARGED TO TELEPHONE CARD DURING LAST 2 MONTHS

TYPE OF CALL	PERCENTAGE OF HOUSEHOLDS
LOCAL CALL	7.0
LONG DISTANCE CALL	41.6
INTERNATIONAL CALL	3.0

TABLE 3.4  
CALLS CHARGED TO CREDIT CARD DURING LAST 2 MONTHS

TYPE OF CALL	PERCENTAGE OF HOUSEHOLDS
LOCAL CALL	1.3
LONG DISTANCE CALL	6.4
INTERNATIONAL CALL	1.0

TABLE 3.5  
FAMILIARITY WITH CALLING CARD FEATURES

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
NOT FAMILIAR		1	95	31.9	32.5	32.5
		2	35	11.7	12.0	44.5
		3	42	14.1	14.4	58.9
		4	31	10.4	10.6	69.5
		5	34	11.4	11.6	81.2
VERY FAMILIAR		6	55	18.5	18.8	100.0
		9	6	2.0	MISSING	
			-----	-----	-----	
		TOTAL	298	100.0	100.0	
MEAN	3.134	MEDIAN	3.000	MODE		1.000
VALID CASES	292	MISSING CASES	6			

TABLE 3.6  
IMPORTANCE OF CALLING CARD FACTORS

FACTOR	MEAN RELATIVE IMPORTANCE
PHONE SERVICE QUALITY	5.628
CUSTOMER SERVICE QUALITY	5.498
EASE OF USE	5.496
COST PER CALL	5.231
HELPFUL TELEPHONE OPERATORS	5.229
USE IN ALL LOCATIONS	5.176
FIRM REPUTATION	5.170
SAME BILL FOR LOCAL AND LONG DISTANCE	4.930
REBATES AND DISCOUNTS	4.082
CARD FROM LOCAL COMPANY	3.715
FLEXIBILITY TO CHARGE FROM OTHER COMPANYS	3.693
CREDIT POINTS FOR OTHER PURCHASES	2.665



TABLE 3.7  
PREFERRED CALLING CARD OPTIONS

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
CHARGE CALLS ONLY	1	258	86.6	88.1	88.1
CALLS PLUS OTHERS	2	16	5.4	5.5	93.5
CHARGE ALL ITEMS	3	19	6.4	6.5	100.0
	9	5	1.7	MISSING	
	TOTAL	298	100.0	100.0	
MEAN	1.184	MEDIAN	1.000	MODE	1.000
VALID CASES	293	MISSING CASES	5		

TABLE 3.8  
IMPORTANCE ATTACHED TO A CALLING CARD OFFERED  
BY THE LONG DISTANCE COMPANY

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
NOT IMPORTANT	1	47	15.8	16.0	16.0
	2	19	6.4	6.5	22.4
	3	35	11.7	11.9	34.4
	4	53	17.8	18.0	52.4
	5	45	15.1	15.3	67.7
VERY IMPORTANT	6	95	31.9	32.3	100.0
	9	4	1.3	MISSING	
	TOTAL	298	100.0	100.0	
MEAN	4.071	MEDIAN	4.000	MODE	6.000
VALID CASES	294	MISSING CASES	4		

TABLE 3.9  
DISPOSITION TOWARD REQUESTING A CALLING CARD  
WITHIN THE NEXT 6 MONTHS

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
NOT LIKELY	1	178	59.7	60.8	60.8
	2	37	12.4	12.6	73.4
	3	24	8.1	8.2	81.6
	4	28	9.4	9.6	91.1
	5	11	3.7	3.8	94.9
VERY LIKELY	6	15	5.0	5.1	100.0
	9	5	1.7	MISSING	
	TOTAL	298	100.0	100.0	
MEAN	1.983	MEDIAN	1.000	MODE	1.000
VALID CASES	293	MISSING CASES	5		

TABLE 3.10  
UNWISE TO USE A CALLING CARD

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	164	55.0	56.9	56.9
		2	34	11.4	11.8	68.8
		3	39	13.1	13.5	82.3
		4	25	8.4	8.7	91.0
		5	8	2.7	2.8	93.8
HIGH AGREEMENT		6	18	6.0	6.3	100.0
		9	10	3.4	MISSING	
TOTAL			298	100.0	100.0	
MEAN	2.073	MEDIAN	1.000	MODE		1.000
VALID CASES	288	MISSING CASES	10			

TABLE 3.11  
LIKE THE CONVENIENCE OF A CALLING CARD

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT	1	49	16.4	17.0	17.0
	2	15	5.0	5.2	22.2
	3	25	8.4	8.7	30.9
	4	26	8.7	9.0	39.9
	5	30	10.1	10.4	50.3
HIGH AGREEMENT	6	143	48.0	49.7	100.0
	9	10	3.4	MISSING	
		-----	-----	-----	
	TOTAL	298	100.0	100.0	
MEAN	4.396	MEDIAN	5.000	MODE	6.000
VALID CASES	288	MISSING CASES	10		

TABLE 3.12  
FEAR OF OVERSPENDING WITH A CALLING CARD

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	171	57.4	58.4	58.4
		2	34	11.4	11.6	70.0
		3	25	8.4	8.5	78.5
		4	18	6.0	6.1	84.6
		5	9	3.0	3.1	87.7
HIGH AGREEMENT		6	36	12.1	12.3	100.0
		9	5	1.7	MISSING	
		TOTAL	298	100.0	100.0	
MEAN	2.208	MEDIAN	1.000	MODE		1.000
VALID CASES	293	MISSING CASES	5			

TABLE 3.13  
USING A CALLING CARD IS GOOD MONEY MANAGEMENT

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	80	26.8	27.9	27.9
		2	28	9.4	9.8	37.6
		3	43	14.4	15.0	52.6
		4	47	15.8	16.4	69.0
		5	31	10.4	10.8	79.8
HIGH AGREEMENT		6	58	19.5	20.2	100.0
		9	11	3.7	MISSING	
TOTAL			298	100.0	100.0	
MEAN	3.331	MEDIAN	3.000	MODE		1.000
VALID CASES	287	MISSING CASES	11			

TABLE 3.14  
LOYALTY TO LONG DISTANCE COMPANY

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	65	21.8	22.4	22.4
		2	26	8.7	9.0	31.4
		3	53	17.8	18.3	49.7
		4	54	18.1	18.6	68.3
		5	29	9.7	10.0	78.3
HIGH AGREEMENT		6	63	21.1	21.7	100.0
		9	8	2.7	MISSING	
		TOTAL	298	100.0	100.0	
MEAN	3.500	MEDIAN	4.000	MODE		1.000
VALID CASES	290	MISSING CASES	8			



TABLE 3.15  
LOCAL TELEPHONE COMPANY SHOULD OFFER  
A CALLING CARD

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT	1	52	17.4	18.1	18.1
	2	15	5.0	5.2	23.3
	3	43	14.4	14.9	38.2
	4	29	9.7	10.1	48.3
	5	30	10.1	10.4	58.7
HIGH AGREEMENT	6	119	39.9	41.3	100.0
	9	10	3.4	MISSING	
		-----	-----	-----	
	TOTAL	298	100.0	100.0	
MEAN	4.135	MEDIAN	5.000	MODE	6.000
VALID CASES	288	MISSING CASES	10		

TABLE 3.16  
LOYALTY TO LOCAL TELEPHONE COMPANY

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	94	31.5	32.5	32.5
		2	23	7.7	8.0	40.5
		3	53	17.8	18.3	58.8
		4	39	13.1	13.5	72.3
		5	27	9.1	9.3	81.7
HIGH AGREEMENT		6	53	17.8	18.3	100.0
		9	9	3.0	MISSING	
			-----	-----	-----	
		TOTAL	298	100.0	100.0	
MEAN	3.142	MEDIAN	3.000	MODE		1.000
VALID CASES	289	MISSING CASES	9			

TABLE 3.17  
LONG DISTANCE COMPANY IS MORE IMPORTANT THAN  
THE LOCAL TELEPHONE COMPANY

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	130	43.6	44.8	44.8
		2	39	13.1	13.4	58.3
		3	50	16.8	17.2	75.5
		4	36	12.1	12.4	87.9
		5	10	3.4	3.4	91.4
HIGH AGREEMENT		6	25	8.4	8.6	100.0
		9	8	2.7	MISSING	
		TOTAL	298	100.0	100.0	
MEAN	2.421	MEDIAN	2.000	MODE		1.000
VALID CASES	290	MISSING CASES	8			

TABLE 3.18  
TELEPHONE SERVICE USED

SERVICE	PERCENTAGE OF HOUSEHOLDS
AT&T	63.4
MCI	2.0
CONTEL	71.5
US SPRINT	3.0
OTHER	4.0

TABLE 3.19  
CHARGE CARDS USED BY HOUSEHOLDS

TYPE OF CHARGE CARD	PERCENTAGE OF HOUSEHOLDS
BANK CARD	63.4
STORE CARD	52.0
OIL COMPANY CARD	32.9
TRAVEL AND ENTERTAINMENT CARD	21.8
OTHER CARDS	6.4

TABLE 3.20  
MARITAL STATUS

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
MARRIED	1	220	73.8	75.1	75.1
NEVER MARRIED	2	21	7.0	7.2	82.3
DIV., SEP., WIDOW	3	52	17.4	17.7	100.0
	9	5	1.7	MISSING	
	TOTAL	298	100.0	100.0	
MEAN	1.427	MEDIAN	1.000	MODE	1.000
VALID CASES	293	MISSING CASES	5		

TABLE 3.21  
FORMAL EDUCATION LEVEL

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
BELOW HIGH SCHOOL		1	18	6.0	6.2	6.2
HIGH SCHOOL GRAD.		2	85	28.5	29.1	35.3
SOME COLLEGE		3	91	30.5	31.2	66.4
COLLEGE GRADUATE		4	98	32.9	33.6	100.0
		9	6	2.0	MISSING	
			-----	-----	-----	
		TOTAL	298	100.0	100.0	
MEAN	2.921	MEDIAN	3.000	MODE		4.000
VALID CASES	292	MISSING CASES	6			

TABLE 3.22  
HOUSEHOLD INCOME LEVEL

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LESS THAN \$10,000	1	25	8.4	9.5	9.5
\$10,000 - \$19,999	2	47	15.8	17.9	27.5
\$20,000 - \$29,999	3	48	16.1	18.3	45.8
\$30,000 - \$39,999	4	53	17.8	20.2	66.0
\$40,000 - \$59,999	5	52	17.4	19.8	85.9
\$60,000 PLUS	6	37	12.4	14.1	100.0
	99	36	12.1	MISSING	
		-----	-----	-----	
	TOTAL	298	100.0	100.0	
MEAN	3.653	MEDIAN	4.000	MODE	4.000
VALID CASES	262	MISSING CASES	36		



TABLE 4.1  
FAMILIARITY WITH CALLING CARD FEATURES FOR  
HOUSEHOLDS WITH A CALLING CARD

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
NOT FAMILIAR		1	18	9.8	9.9	9.9
		2	27	14.8	14.8	24.7
		3	33	18.0	18.1	42.9
		4	26	14.2	14.3	57.1
		5	30	16.4	16.5	73.6
VERY FAMILIAR		6	48	26.2	26.4	100.0
		9	1	.5	MISSING	
		TOTAL	183	100.0	100.0	
MEAN	3.918	MEDIAN	4.000	MODE		6.000
VALID CASES	182	MISSING CASES	1			

TABLE 4.2  
HOUSEHOLD ATTITUDES TOWARD CALLING CARDS

ATTITUDE STATEMENT	MEAN RATINGS	
	HAVE CARD	DO NOT HAVE CARD
UNWISE TO USE CALLING CARD	1.676	2.725
LIKE CALLING CARD CONVENIENCE	5.359	2.766
FEAR OVERSPENDING WITH CARD	1.692	3.054
CARD GOOD MONEY MANAGEMENT	3.806	2.533

TABLE 4.3  
HOUSEHOLD ATTITUDES FOR TELEPHONE COMPANYS

ATTITUDE STATEMENTS	MEAN RATINGS	
	HAVE CARD	DO NOT HAVE CARD
LOYALTY FOR LONG DISTANCE COMPANY	3.644	3.264
LOCAL COMPANY SHOULD OFFER A CALLING CARD	4.412	3.694
LOYALTY FOR LOCAL TELEPHONE COMPANY	3.128	3.165
LONG DISTANCE COMPANY IS MORE IMPORTANT THAN THE LOCAL TELEPHONE COMPANY	2.536	2.229

TABLE 4.4  
BREAKDOWN OF ATTITUDES FOR CALLING CARD

ATTITUDE STATEMENTS	MEAN RATINGS	
	USES CARD	DOES NOT USE CARD
UNWISE TO USE A CALLING CARD	1.504	2.509
LIKE CONVENIENCE OF CALLING CARD	5.576	3.491
FEAR OVERSPENDING ON CALLING CARD	1.532	2.719
CARD GOOD MONEY MANAGEMENT	3.992	2.821

TABLE 4.5  
ATTITUDES TOWARD CALLING CARDS

ATTITUDE STATEMENTS	MEAN RATINGS	
	REQUESTING	NOT REQUESTING
UNWISE TO USE A CALLING CARD	1.769	2.124
LIKE CONVENIENCE OF CALLING CARD	5.264	4.198
FEAR OVERSPENDING ON CALLING CARD	1.944	2.233
CARD GOOD MONEY MANAGEMENT	4.075	3.160

TABLE 4.6

## ATTITUDES TOWARD TELEPHONE COMPANY

ATTITUDE STATEMENTS	MEAN RATINGS	
	REQUESTING	NOT REQUESTING
LOYALTY FOR LONG DISTANCE COMPANY	3.566	3.470
LOCAL COMPANY SHOULD OFFER A CALLING CARD	5.204	3.883
LOYALTY FOR LOCAL TELEPHONE COMPANY	3.000	3.155
LONG DISTANCE COMPANY MORE IMPORTANT THAN THE LOCAL TELEPHONE CO.	3.037	2.292

TABLE 5.1  
BUSINESS LONG DISTANCE COMPANY SUBSCRIPTIONS

LONG DISTANCE COMPANY	PERCENTAGE SUBSCRIBED
AT&T	53.7
MCI	3.4
US SPRINT	2.4
OTHERS	10.7

TABLE 5.2  
NUMBER OF AT&T ACCOUNTS

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
		0	98	47.8	47.8	47.8
		1	92	44.9	44.9	92.7
		2	11	5.4	5.4	98.0
		4	2	1.0	1.0	99.0
		9	2	1.0	1.0	100.0
			-----	-----	-----	
		TOTAL	205	100.0	100.0	
MEAN	.683	MEDIAN	1.000	MODE		0
VALID CASES	205	MISSING CASES	0			



TABLE 5.3  
NUMBER OF AT&T CARDS

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
		0	93	45.4	45.4	45.4
		1	43	21.0	21.0	66.3
		2	41	20.0	20.0	86.3
		3	9	4.4	4.4	90.7
		4	4	2.0	2.0	92.7
		5	2	1.0	1.0	93.7
		6	2	1.0	1.0	94.6
		7	1	.5	.5	95.1
		8	1	.5	.5	95.6
		9	9	4.4	4.4	100.0
		TOTAL	205	100.0	100.0	
MEAN	1.395	MEDIAN	1.000	MODE		0
VALID CASES	205	MISSING CASES	0			

TABLE 5.4  
FREQUENCY OF CALLING CARD USE BY BUSINESSES

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
DO NOT USE		1	58	28.3	31.4	31.4
		2	42	20.5	22.7	54.1
		3	23	11.2	12.4	66.5
		4	26	12.7	14.1	80.5
		5	14	6.8	7.6	88.1
USE FREQUENTLY		6	22	10.7	11.9	100.0
		9	20	9.8	MISSING	
			-----	-----	-----	
		TOTAL	205	100.0	100.0	
MEAN	2.795	MEDIAN	2.000	MODE		1.000
VALID CASES	185	MISSING CASES	20			

TABLE 5.5

CALLS CHARGED TO A CALLING CARD DURING  
THE LAST ONE MONTH PERIOD

TYPE OF CALL	PERCENTAGE OF BUSINESSES
LOCAL CALLS	8.3
LONG DISTANCE CALLS	40.5
INTERNATIONAL CALLS	5.4

TABLE 5.6

CALLS CHARGED TO A CREDIT CARD DURING  
THE LAST ONE MONTH PERIOD

TYPE OF CALL	PERCENTAGE OF BUSINESSES
LOCAL CALLS	3.9
LONG DISTANCE CALLS	16.6
INTERNATIONAL CALLS	2.0

TABLE 5.7  
BUSINESS FAMILIARITY WITH CALLING CARD FEATURES

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
NOT FAMILIAR	1	36	17.6	18.0	18.0
	2	31	15.1	15.5	33.5
	3	37	18.0	18.5	52.0
	4	30	14.6	15.0	67.0
	5	23	11.2	11.5	78.5
VERY FAMILIAR	6	43	21.0	21.5	100.0
	9	5	2.4	MISSING	
	TOTAL	205	100.0	100.0	
MEAN	3.510	MEDIAN	3.000	MODE	6.000
VALID CASES	200	MISSING CASES	5		

TABLE 5.8  
IMPORTANCE OF CALLING CARD FACTORS

FACTOR	MEAN RELATIVE IMPORTANCE
QUALITY TELEPHONE SERVICE	5.490
EASE OF USE	5.395
QUALITY CUSTOMER SERVICE	5.377
USE ANYWHERE	5.135
HELPFUL OPERATORS	5.080
BREAKDOWN PER CUSTOMER SPECIFICATIONS	5.061
FIRM REPUTATION	4.950
COST PER CALL	4.935
LIMIT USE PER CUSTOMER SPECIFICATIONS	4.266
REBATES AND DISCOUNTS	4.060
LOCAL COMPANY OFFERS A CARD	3.670
FLEXIBILITY TO USE DIFFERENT CARRIERS	3.338
CREDIT POINTS FOR OTHER PRODUCTS	2.487

TABLE 5.9  
CALLING CARD OPTIONS

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
CHARGE CALLS ONLY	1	175	85.4	87.5	87.5
CHARGE ALL ITEMS	2	25	12.2	12.5	100.0
	9	5	2.4	MISSING	
		-----	-----	-----	
	TOTAL	205	100.0	100.0	
MEAN	1.125	MEDIAN	1.000	MODE	1.000
VALID CASES	200	MISSING CASES	5		

TABLE 5.10  
RELATIVE IMPORTANCE OF THE COMPANY OFFERING THE  
TELEPHONE CALLING CARD

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
NOT IMPORTANT	1	20	9.8	10.0	10.0
	2	8	3.9	4.0	14.0
	3	21	10.2	10.5	24.5
	4	27	13.2	13.5	38.0
	5	48	23.4	24.0	62.0
VERY IMPORTANT	6	76	37.1	38.0	100.0
	9	5	2.4	MISSING	
	TOTAL	205	100.0	100.0	
MEAN	4.515	MEDIAN	5.000	MODE	6.000
VALID CASES	200	MISSING CASES	5		



TABLE 5.11  
 LIKELIHOOD OF THE BUSINESS REQUESTING CALLLING  
 CARD WITHIN THE NEXT 6 MONTHS

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
NOT LIKELY		1	104	50.7	52.3	52.3
		2	38	18.5	19.1	71.4
		3	21	10.2	10.6	81.9
		4	20	9.8	10.1	92.0
		5	6	2.9	3.0	95.0
VERY LIKELY		6	10	4.9	5.0	100.0
		9	6	2.9	MISSING	
TOTAL			205	100.0	100.0	
MEAN	2.075	MEDIAN	1.000	MODE		1.000
VALID CASES	199	MISSING CASES	6			

TABLE 5.12  
UNWISE FOR BUSINESSES TO USE CALLING CARDS

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	114	55.6	57.6	57.6
		2	38	18.5	19.2	76.8
		3	17	8.3	8.6	85.4
		4	16	7.8	8.1	93.4
		5	3	1.5	1.5	94.9
HIGH AGREEMENT		6	10	4.9	5.1	100.0
		9	7	3.4	MISSING	
TOTAL			205	100.0	100.0	
MEAN	1.919	MEDIAN	1.000	MODE		1.000
VALID CASES	198	MISSING CASES	7			

TABLE 5.13  
LIKE THE CONVENIENCE OF CALLING CARDS

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	14	6.8	7.3	7.3
		2	11	5.4	5.7	13.0
		3	10	4.9	5.2	18.2
		4	21	10.2	10.9	29.2
		5	32	15.6	16.7	45.8
HIGH AGREEMENT		6	104	50.7	54.2	100.0
		9	13	6.3	MISSING	
		TOTAL	205	100.0	100.0	
MEAN	4.865	MEDIAN	6.000	MODE		6.000
VALID CASES	192	MISSING CASES	13			

TABLE 5.14  
FEAR OVERSPENDING WITH A CALLING CARD

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT	1	103	50.2	51.8	51.8
	2	34	16.6	17.1	68.8
	3	24	11.7	12.1	80.9
	4	19	9.3	9.5	90.5
	5	9	4.4	4.5	95.0
HIGH AGREEMENT	6	10	4.9	5.0	100.0
	9	6	2.9	MISSING	
		-----	-----	-----	
	TOTAL	205	100.0	100.0	
MEAN	2.131	MEDIAN	1.000	MODE	1.000
VALID CASES	199	MISSING CASES	6		

TABLE 5.15

## A CALLING CARD IS GOOD MONEY MANAGEMENT

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	21	10.2	10.8	10.8
		2	14	6.8	7.2	17.9
		3	40	19.5	20.5	38.5
		4	45	22.0	23.1	61.5
		5	29	14.1	14.9	76.4
HIGH AGREEMENT		6	46	22.4	23.6	100.0
		9	10	4.9	MISSING	
		TOTAL	205	100.0	100.0	
MEAN	3.949	MEDIAN	4.000	MODE		6.000
VALID CASES	195	MISSING CASES	10			

TABLE 5.16  
HIGH LOYALTY TO LONG DISTANCE COMPANY

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	51	24.9	25.8	25.8
		2	27	13.2	13.6	39.4
		3	42	20.5	21.2	60.6
		4	38	18.5	19.2	79.8
		5	18	8.8	9.1	88.9
HIGH AGREEMENT		6	22	10.7	11.1	100.0
		9	7	3.4	MISSING	
			-----	-----	-----	
		TOTAL	205	100.0	100.0	
MEAN	3.056	MEDIAN	3.000	MODE		1.000
VALID CASES	198	MISSING CASES	7			

TABLE 5.17  
LOCAL TELEPHONE COMPANY SHOULD OFFER  
A CALLING CARD

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT	1	24	11.7	12.5	12.5
	2	19	9.3	9.9	22.4
	3	30	14.6	15.6	38.0
	4	19	9.3	9.9	47.9
	5	23	11.2	12.0	59.9
HIGH AGREEMENT	6	77	37.6	40.1	100.0
	9	13	6.3	MISSING	
	TOTAL	205	100.0	100.0	
MEAN	4.193	MEDIAN	5.000	MODE	6.000
VALID CASES	192	MISSING CASES	13		

TABLE 5.18  
HIGH LOYALTY FOR LOCAL TELEPHONE COMPANY

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	57	27.8	28.9	28.9
		2	29	14.1	14.7	43.7
		3	44	21.5	22.3	66.0
		4	27	13.2	13.7	79.7
		5	18	8.8	9.1	88.8
HIGH AGREEMENT		6	22	10.7	11.2	100.0
		9	8	3.9	MISSING	
		TOTAL	205	100.0	100.0	
MEAN	2.929	MEDIAN	3.000	MODE		1.000
VALID CASES	197	MISSING CASES	8			



TABLE 5.19  
LONG DISTANCE COMPANY IS MORE IMPORTANT THAN  
THE LOCAL TELEPHONE COMPANY

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LITTLE AGREEMENT		1	68	33.2	34.9	34.9
		2	19	9.3	9.7	44.6
		3	49	23.9	25.1	69.7
		4	33	16.1	16.9	86.7
		5	10	4.9	5.1	91.8
HIGH AGREEMENT		6	16	7.8	8.2	100.0
		9	10	4.9	MISSING	
		TOTAL	205	100.0	100.0	
MEAN	2.723	MEDIAN	3.000	MODE		1.000
VALID CASES	195	MISSING CASES	10			

TABLE 5.20  
TELEPHONE SERVICE USAGE

SERVICE	PERCENTAGE USING
AT&T	64.4
MCI	6.3
CONTEL	63.9
US SPRINT	4.4
OTHER	12.2

TABLE 5.21  
NUMBER OF EMPLOYEES

VALUE LABEL	VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
	1	22	10.7	11.8	11.8
	2	30	14.6	16.1	28.0
	3	19	9.3	10.2	38.2
	4	13	6.3	7.0	45.2
	5	15	7.3	8.1	53.2
	6	11	5.4	5.9	59.1
	7	6	2.9	3.2	62.4
	8	10	4.9	5.4	67.7
	9	3	1.5	1.6	69.4
	10	4	2.0	2.2	71.5
	11	3	1.5	1.6	73.1
	12	3	1.5	1.6	74.7
	14	3	1.5	1.6	76.3
	15	3	1.5	1.6	78.0
	16	2	1.0	1.1	79.0
	17	1	.5	.5	79.6
	18	3	1.5	1.6	81.2
	19	1	.5	.5	81.7
	20	3	1.5	1.6	83.3
	22	1	.5	.5	83.9
	23	1	.5	.5	84.4
	25	5	2.4	2.7	87.1
	27	1	.5	.5	87.6
	32	1	.5	.5	88.2
	35	1	.5	.5	88.7
	36	1	.5	.5	89.2
	37	1	.5	.5	89.8
	40	3	1.5	1.6	91.4
	45	1	.5	.5	91.9
	56	1	.5	.5	92.5
	83	1	.5	.5	93.0
	100	1	.5	.5	93.5
	125	1	.5	.5	94.1
	130	1	.5	.5	94.6
	135	1	.5	.5	95.2
	157	1	.5	.5	95.7
	180	1	.5	.5	96.2
	200	1	.5	.5	96.8
	220	1	.5	.5	97.3
	230	1	.5	.5	97.8
	250	2	1.0	1.1	98.9
	950	1	.5	.5	99.5
	998	1	.5	.5	100.0
	999	19	9.3	MISSING	
	TOTAL	205	100.0	100.0	
MEAN	29.167	MEDIAN	5.000	MODE	2.000
VALID CASES	186	MISSING CASES	19		

TABLE 5.22  
CUSTOMER TYPES

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
LOCAL		1	96	46.8	50.0	50.0
REGIONAL		2	67	32.7	34.9	84.9
NATIONAL		3	25	12.2	13.0	97.9
INTERNATIONAL		4	4	2.0	2.1	100.0
		9	13	6.3	MISSING	
		TOTAL	205	100.0	100.0	
MEAN	1.672	MEDIAN	1.500	MODE		1.000
VALID CASES	192	MISSING CASES	13			

TABLE 6.1  
FAMILIARITY WITH CALLING CARDS FOR  
BUSINESSES WITH CALLING CARDS

VALUE LABEL		VALUE	FREQUENCY	PERCENT	VALID PERCENT	CUM PERCENT
NOT FAMILIAR		1	8	6.1	6.1	6.1
		2	22	16.8	16.8	22.9
		3	26	19.8	19.8	42.7
		4	22	16.8	16.8	59.5
VERY FAMILIAR		5	20	15.3	15.3	74.8
		6	33	25.2	25.2	100.0
			-----	-----	-----	
		TOTAL	131	100.0	100.0	
MEAN	3.939	MEDIAN	4.000	MODE		6.000
VALID CASES	131	MISSING CASES	0			

TABLE 6.2  
BUSINESS ATTITUDES TOWARD TELEPHONE  
CALLING CARDS

ATTITUDE STATEMENTS	MEAN RATINGS	
	WITH CARD	WITHOUT CARD
UNWISE TO USE A CALLING CARD	1.638	2.409
LIKE THE CONVENIENCE OF CALLING CARDS	5.290	3.881
FEAR OF OVERSPENDING WITH A CALLING CARD	1.870	2.621
A CALLING CARD IS GOOD MONEY MANAGEMENT	4.070	3.656

TABLE 6.3  
BUSINESS CUSTOMER TYPES

CUSTOMER TYPE	PERCENTAGE	
	WITH CARD	WITHOUT CARD
LOCAL	41.2	61.8
REGIONAL	38.9	22.1
NATIONAL	15.3	7.4
INTERNATIONAL	0.8	2.9

TABLE 6.4

ATTITUDE TOWARD CALLING CARDS FOR  
BUSINESSES THAT USE CALLING CARDS

ATTITUDE STATEMENT	MEAN RATINGS	
	USE CARD	DO NOT USE CARD
UNWISE TO USE A CALLING CARD	1.560	2.184
LIKE THE CONVENIENCE OF A CALLING CARD	5.412	4.430
FEAR OVERSPENDING WITH A CALLING CARD	1.882	2.316
A CALLING CARD IS GOOD MONEY MANAGEMENT	4.036	3.884



TABLE 6.5  
BUSINESS CUSTOMER TYPES - USAGE BASED

CUSTOMER TYPE	PERCENTAGE	
	USES CARD	DOES NOT USE CARD
LOCAL	36.5	54.2
REGIONAL	38.8	28.3
NATIONAL	21.2	5.8
INTERNATIONAL	-----	3.3

TABLE 6.6

ATTITUDES TOWARD CALLING CARDS BASED ON THE  
LIKELIHOOD OF A REQUEST WITHIN 6 MONTHS

ATTITUDE STATEMENTS	MEAN RATINGS	
	REQUESTING	NOT REQUESTING
UNWISE TO USE CALLING CARDS	1.861	1.913
LIKE THE CONVENIENCE OF A CALLING CARD	5.457	4.732
FEAR OVERSPENDING WITH A CALLING CARD	2.056	2.143
CALLING CARDS ARE GOOD MONEY MANAGEMENT	4.800	3.759

TABLE 6.7

ATTITUDES TOWARD TELEPHONE COMPANYS BASED ON THE  
LIKELIHOOD OF A CALLING CARD REQUEST WITHIN 6 MONTHS

ATTITUDE STATEMENTS	MEAN RATING	
	REQUESTING	NOT REQUESTING
HIGH LOYALTY TO LONG DISTANCE COMPANY	3.361	3.000
LOCAL TELEPHONE COMPANY SHOULD OFFER A CALLING CARD	4.750	4.077
HIGH LOYALTY TO LOCAL TELEPHONE COMPANY	2.944	2.931
LONG DISTANCE COMPANY IS MORE IMPORTANT THAN THE LOCAL TELEPHONE COMPANY	3.286	2.620

TABLE 6.8  
CUSTOMER TYPES FOR BUSINESSES REQUESTING  
CALLING CARDS WITHIN 6 MONTHS

CUSTOMER TYPES	PERCENTAGES	
	REQUESTING	NOT REQUESTING
LOCAL	38.9	49.7
REGIONAL	25.0	35.0
NATIONAL	25.0	9.8
INTERNATIONAL	5.6	1.2

FIGURE 3.1

RELATIVE IMPORTANCE OF FACTORS:  
HOUSEHOLDS - TOTAL SAMPLE

1.00 - QUALITY OF TELE SERVICE

.95 - EASY TO USE

.94 - QUALITY OF CUSTOMER SERVICE

.85 - COST PER CALL

.84 - MAKE CALLS ANYWHERE

.81 - OVERALL REPUTATION

HELPFUL TELE OPERATORS

.74 - CHARGES ON SAME BILL

.45 - REBATES AND DISCOUNTS

.35 - CHARGE SEVERAL COS.

FIRM IS LOCAL TELE CO.

.00 - CREDIT POINTS

FIGURE 4.1

RELATIVE IMPORTANCE OF FACTORS:  
HOUSEHOLDS - WITH CARDS

.99 - QUALITY OF TELE SERVICE	EASY TO USE
.93 - MAKE CALLS ANYWHERE	QUALITY OF CUSTOMER SERVICE
.81 - HELPFUL TELE OPERATORS	
.79 - OVERALL REPUTATION	
.78 - COST PER CALL	
.75 - CHARGES ON SAME BILL	
.39 - REBATES AND DISCOUNTS	
.37 - CHARGE SEVERAL COS.	
.35 - FIRM IS LOCAL TELE CO.	

.00 - CREDIT POINTS

## FIGURE 4.2

### RELATIVE IMPORTANCE OF FACTORS: HOUSEHOLDS - WITHOUT CARDS

1.00 - QUALITY OF TELE SERVICE  
.97 - COST PER CALL  
.96 - QUALITY OF CUSTOMER SERVICE

.88 - OVERALL REPUTATION                      EASY TO USE  
.83 - HELPFUL TELE OPERATORS

.71 - CHARGES ON SAME BILL

.66 - MAKE CALLS ANYWHERE

.55 - REBATES AND DISCOUNTS

.35 - FIRM IS LOCAL TELE CO.  
.33 - CHARGE SEVERAL COS.

.00 - CREDIT POINTS

FIGURE 4.3

RELATIVE IMPORTANCE OF FACTORS:  
HOUSEHOLDS - USE CARDS

1.00 - QUALITY OF TELE SERVICE  
.97 - EASY TO USE

.93 - MAKE CALLS ANYWHERE

QUALITY OF CUSTOMER SERVICE

.79 - COST PER CALL  
.77 - CHARGES ON SAME BILL  
.76 - OVERALL REPUTATION  
.74 - HELPFUL TELE OPERATORS

.43 - REBATES AND DISCOUNTS

.40 - CHARGE SEVERAL COS.

.33 - FIRM IS LOCAL TELE CO.

.00 - CREDIT POINTS



FIGURE 4.4

RELATIVE IMPORTANCE OF FACTORS:  
HOUSEHOLDS - DO NOT USE

1.00 - QUALITY OF TELE SERVICE

.95 - QUALITY OF CUSTOMER SERVICE

.93 - EASY TO USE

.91 - COST PER CALL

.87 - HELPFUL TELE OPERATORS

OVERALL REPUTATION

.76 - MAKE CALLS ANYWHERE

.72 - CHARGES ON SAME BILL

.47 - REBATES AND DISCOUNTS

.36 - FIRM IS LOCAL TELE CO.

.31 - CHARGE SEVERAL COS.

.00 - CREDIT POINTS

## FIGURE 4.5

### RELATIVE IMPORTANCE OF FACTORS: HOUSEHOLDS - REQUESTING

1.00 - EASY TO USE	
.98 - QUALITY OF TELE SERVICE	
.94 - MAKE CALLS ANYWHERE	
.89 - QUALITY OF CUSTOMER SERVICE	
.85 - COST PER CALL	
.79 - OVERALL REPUTATION	
.75 - HELPFUL TELE OPERATORS	
.70 - CHARGES ON SAME BILL	
.47 - CHARGE SEVERAL COS.	REBATES AND DISCOUNTS
.30 - FIRM IS LOCAL TELE CO.	
.00 - CREDIT POINTS	

FIGURE 4.6

RELATIVE IMPORTANCE OF FACTORS:  
HOUSEHOLDS - NOT REQUESTING

1.00 - QUALITY OF TELE SERVICE

.95 - QUALITY OF CUSTOMER SERVICE

.93 - EASY TO USE

.83 - COST PER CALL

.81 - OVERALL REPUTATION

HELPFUL TELE OPERATORS

MAKE CALLS ANYWHERE

.75 - CHARGES ON SAME BILL

.44 - REBATES AND DISCOUNTS

.35 - FIRM IS LOCAL TELE CO.

.33 - CHARGE SEVERAL COS.

.00 - CREDIT POINTS

FIGURE 5.1

RELATIVE IMPORTANCE OF FACTORS:  
BUSINESSES - TOTAL SAMPLE

1.00 - QUALITY OF TELE SERVICE  
.97 - EASY TO USE  
.95 - QUALITY OF CUSTOMER SERVICE

.87 - MAKE CALLS ANYWHERE

.83 - HELPFUL TELE OPERATORS                      SINGLE BILL PER SPEC.  
.79 - COST PER CALL  
.77 - OVERALL REPUTATION

.55 - LIMIT USE

.49 - REBATES AND DISCOUNTS

.40 - FIRM IS LOCAL TELE CO.

.31 - CHARGE SEVERAL COS.

.00 - CREDIT POINTS

FIGURE 6.1

RELATIVE IMPORTANCE OF FACTORS:  
BUSINESSES - WITH CARD

.99 - EASY TO USE

QUALITY OF TELE SERVICE

MAKE CALLS ANYWHERE

.93 - QUALITY OF CUSTOMER SERVICE

.81 - SINGLE BILL PER SPEC.

HELPFUL TELE OPERATORS

.73 - OVERALL REPUTATION

COST PER CALL

.50 - LIMIT USE

.45 - REBATES AND DISCOUNTS

.41 - FIRM IS LOCAL TELE CO.

.25 - CHARGE SEVERAL COS.

.00 - CREDIT POINTS

## FIGURE 6.2

### RELATIVE IMPORTANCE OF FACTORS: BUSINESSES - WITHOUT CARD

.99 - QUALITY OF TELE SERVICE	QUALITY OF CUSTOMER SERVICE
.93 - COST PER CALL	
.87 - EASY TO USE	HELPFUL TELE OPERATORS
.85 - SINGLE BILL PER SPEC.	
.83 - OVERALL REPUTATION	
.65 - LIMIT USE	
.64 - MAKE CALLS ANYWHERE	
.58 - REBATES AND DISCOUNTS	
.41 - CHARGE SEVERAL COS.	
.37 - FIRM IS LOCAL TELE CO.	
.00 - CREDIT POINTS	

FIGURE 6.3

RELATIVE IMPORTANCE OF FACTORS:  
BUSINESSES - USE

- 1.00 - EASY TO USE
- .97 - QUALITY OF TELE SERVICE      MAKE CALLS ANYWHERE
- .91 - QUALITY OF CUSTOMER SERVICE
- .83 - SINGLE BILL PER SPEC.
- .75 - HELPFUL TELE OPERATORS
- .70 - COST PER CALL
- .67 - OVERALL REPUTATION
- .42 - REBATES AND DISCOUNTS
- .39 - LIMIT USE
- .34 - FIRM IS LOCAL TELE CO.
- .25 - CHARGE SEVERAL COS.
- .00 - CREDIT POINTS

FIGURE 6.4

RELATIVE IMPORTANCE OF FACTORS:  
BUSINESSES - DO NOT USE

- 1.00 - QUALITY OF TELE SERVICE
- .95 - QUALITY OF CUSTOMER SERVICE
- .91 - EASY TO USE
- .87 - HELPFUL TELE OPERATORS
- .85 - COST PER CALL
- .83 - OVERALL REPUTATION
- .81 - SINGLE BILL PER SPEC.
- .78 - MAKE CALLS ANYWHERE
- .65 - LIMIT USE
- .55 - REBATES AND DISCOUNTS
- .43 - FIRM IS LOCAL TELE CO.
- .35 - CHARGE SEVERAL COS.
- .00 - CREDIT POINTS



FIGURE 6.5

RELATIVE IMPORTANCE OF FACTORS:  
BUSINESSES - REQUESTING CARD

- 1.00 - QUALITY OF TELE SERVICE
- .96 - QUALITY OF CUSTOMER SERVICE
- .91 - EASY TO USE
- .88 - MAKE CALLS ANYWHERE
- .83 - COST PER CALL
- .77 - SINGLE BILL PER SPEC.
- .72 - HELPFUL TELE OPERATORS
- .63 - OVERALL REPUTATION
- .57 - REBATES AND DISCOUNTS
- .51 - LIMIT USE
- .43 - CHARGE SEVERAL COS.
- .11 - FIRM IS LOCAL TELE CO.
- .00 - CREDIT POINTS

## FIGURE 6.6

### RELATIVE IMPORTANCE OF FACTORS: BUSINESSES - NOT REQUESTING

1.00 - QUALITY OF TELE SERVICE  
.98 - EASY TO USE  
.95 - QUALITY OF CUSTOMER SERVICE

.87 - MAKE CALLS ANYWHERE  
.85 - HELPFUL TELE OPERATORS  
.83 - SINGLE BILL PER SPEC.  
.81 - OVERALL REPUTATION

.77 - COST PER CALL

.57 - LIMIT USE

.47 - REBATES AND DISCOUNTS  
.46 - FIRM IS LOCAL TELE CO.

.27 - CHARGE SEVERAL COS.

.00 - CREDIT POINTS