

THE STUDY OF TRENDS IN THE FIELD OF ONLINE SERVICES AMONG THE YOUNGER AUDIENCE OF MOBILE TELESYSTEMS

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Abstract

In today's technology-saturated world to present something innovative is extremely difficult. In order to stand out companies need to figure out a way to provide something that has not been done before, or provide something that already exists but on a completely different level. To provide a service or a product that will be gladly used by many it is necessary to research what the target audience actually lacks, that is what needs have not been satisfied. The case company chosen for this work is MTS. MTS is a leading company which provides a variety of services, such as mobile and fixed-line services, Internet access, cable and satellite TV broadcasting, digital services and mobile applications, financial services and e-commerce, as well as convergent IT solutions in the field of system integration, the Internet of things, monitoring, data processing and cloud computing. The main target audience for MTS is businesses, but the company want to attract younger customers to work directly with them, by providing a wide range of features in the field of online and offline finance. The aim is to encourage the younger audience to use 'MTS Money'. The objective of this work is to find out which features are preferable for the target audience and how they can be implied in addition to those that are already being used. This paper consists of three chapters. The first chapter will include information about the company and their current focus; current options and features of 'MTS Money'. The second chapter will be devoted to the consumer research carried out in RANEPA. The marketing research techniques which were chosen are focus groups and online questionnaires. The third chapter will cover the analysis of the gathered data, the main outcomes and findings. Finally, the paper will be followed by recommendations.

Keywords: *case study, MTS, online finance, marketing research, focus groups*

1. INTRODUCTION

In today's technology-saturated world to present something innovative is extremely difficult. In order to stand out companies need to figure out a way to provide something that has not been done before, or provide something that already exists but on a completely different level. To provide a service or a product that will be gladly used by many it is necessary to research what the target audience actually lacks, that is what needs have not been satisfied.

Nowadays, there is a great number of surveys, which have looked into the topic of development of mobile services. The main reason is the dramatic increase of the mobile traffic, especially among younger users. For example, (Curwen, 2017) has researched the assortment expansion of mobile features in the US. Due to globalization this issue is

relevant not only in the US, but around the world, in particular, in Russia. According to the recent surveys (Tsurikova, 2016; Volodina, 2017), the mobile traffic in Russia has an eightfold increase, which means that a proper research will greatly benefit the companies in the field of mobile communications.

Furthermore, the implementation of mobile devices and social media has revolutionized modern society, because of that many companies have to restructure their sales systems by using more successful commercial formats, such as mobile commerce and social commerce. The mobile payment, being an emerging and supplementary service to these new commercial formats, is now being adopted (Liébana-Cabanillas, 2018).

The same idea of mobile payments being one of many innovations that are changing the payment market was mentioned both in the research of Jonas Hedman and Jun Liu (Hedman, 2015; Liu, 2015).

The author questioned whether mobile operators should provide financial services. As a result of the work, it was identified that partnership between mobile operators and banks creates a unique offer, which builds a competitive advantage (Bećirović, 2017).

The case company chosen for this work is Mobile TeleSystems (MTS). MTS is a leading company which provides a variety of services, such as mobile and fixed-line services, Internet access, cable and satellite TV broadcasting, digital services and mobile applications, financial services and e-commerce, as well as convergent IT solutions in the field of system integration, the Internet of things, monitoring, data processing and cloud computing.

The aim is to encourage the younger audience to use a new service - 'MTS Money'. The objective of this work is to find out which additional features are preferable for the target audience and how they can be implied.

2. MOBILE TELESYSTEMS "MTS"

Public Joint Stock Company "Mobile TeleSystems" (PJSC "MTS") is a leading company in Russia and CIS countries providing mobile and fixed-line services, Internet access, cable and satellite TV broadcasting, digital services and mobile applications, financial services and e-commerce, as well as convergent IT solutions in the field of system integration, the Internet of things, monitoring, data processing and cloud computing. Providing innovative services and solutions, MTS makes a significant contribution to economic growth and improving the quality of life of tens of millions of people in the countries of operation.

MTS is actively diversifying its business, mastering new directions. In partnership with MTS Bank, the company provides banking and financial services in the communications salons, as well as financial services and applications on mobile devices. Now about 16 million people or 20% of MTS subscribers in Russia use financial services under the MTS brand (Moskva.mts.ru).

One of the new directions is MTS Money, which provides a variety of different options (Dengi.mts.ru):

- secure online payments (Wi-Fi, loans, transport, insurance, housing and utilities)
- transfers from the card
- monitor the online wallet (add cards of different banks)

The service is not exclusively for MTS customers and can be accessed by subscribers of any cellular operators.

For a long time, B2B has been the main audience of the company, but the situation on the market is gradually changing, and the company needs to constantly reinforce its leadership in the market with new offers. Since the young audiences are the main users of smartphones and modern innovations (technologies), in order to attract younger customers,

the company has to work directly with them, by providing a wide range of features in the field of online and offline finance.

3. CONSUMER RESEARCH

3.1. The focus group

The first stage of the research is focus groups. The Students of the RANEPA were chosen as a target group, the total number of students was ten. The target group was asked the following questions:

- Which services would you like to be able to pay for online?
- Which features would you like to have in your online payment app?

The answers were following:

1. to pay for transit ('troika' in particular);
2. to pay for state services, taxes, duties;
3. to not have commissions for transactions (from one card to another);
4. to use the service without the internet connection from a phone;
5. to pay for vending machines using a card.

During the first stage the five main trends were identified. According to the data obtained, we formulated the hypothesis that, regardless of the mobile operator and the level of awareness about MTS 'Money', the overall rating of the most attractive features among all respondents will be the same. Our hypothesis was tested during the online survey.

3.2. The online questionnaire

The second stage of the research is the online questionnaire. The participants are undergraduate and graduate students of RANEPA, the age gap is 18-30. Women represent the majority of the participants 80,4%, while men represent 19,6%. Age and gender distribution is presented in the Table 1. The total number of participants is 51.

Table 1. Age and gender distribution of respondents

Age of respondents	
18-22 (Undergraduate)	80.4%
23-30 (Graduate)	19.6%
Gender of respondents	
Men	19.6%
Women	80.4%

The majority of the participants are already MTS clients - 43,1% (see Figure 1)

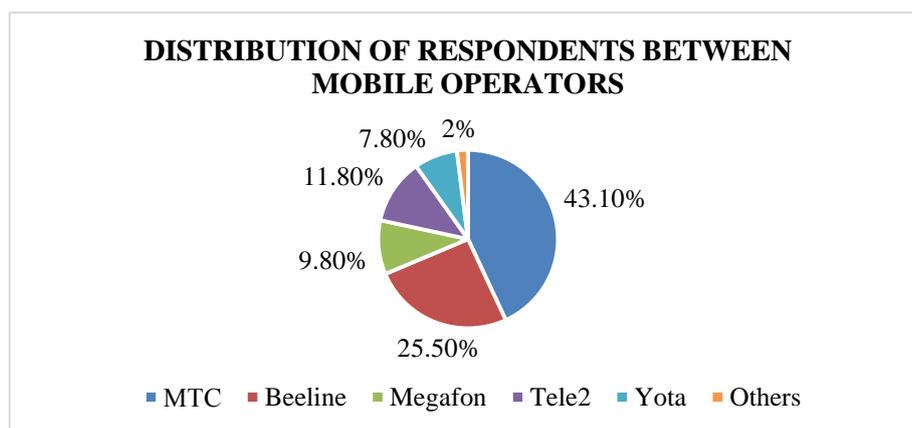


Figure 1. Distribution of respondents between mobile operators

The objective of the questionnaire was to identify which of the features revealed in the focus group are preferable to the target audience. Students had chosen the most appealing features and then ranked them from ‘the most preferable’ to ‘the least preferable’.

Through the questionnaire, it was identified that 31% of participants know about ‘MTS Money’, and 68% do not (Table 2). It is indicative that more than half of the respondents who are the clients of MTS do not know about MTS ‘Money’.

Table 2. Awareness of MTS Money

Awareness of the total number of respondents	
Aware	31,4%
Not aware	68,6%
Awareness of MTS Users	
Aware	40,9%
Not aware	59,1%

4. DATA ANALYSIS

The participants showed the most interest in three features:

- to not have commissions for transactions (from one card to another);
- to use the service without the internet connection from a phone;
- to pay for transit (‘troika’ in particular).

Table 3. Preferences of the respondents

Preferences of the respondents		
1	to pay for transit (‘troika’ in particular)	30 votes
2	to pay for state services, taxes, duties.	11 votes
3	to not have commissions for transactions (from one card to another)	34 votes
4	to use the service without the internet connection from a phone	34 votes
5	to pay for vending machines using a card	7 votes

At the same time, when the participants were asked to rank the features, the results were following (Table 3).

1. The most preferable turned out to be the feature of using the service without the internet connection. to use the service without the internet connection from a phone;
2. to not have commissions for transactions (from one card to another);
3. to pay for transit (‘troika’ in particular).

In order to test out theory, it was examined whether the preferences depend on the level of awareness about MTS ‘Money’, and the mobile operators to which respondents belong to. The results were following in Figure 2 and Figure 3.

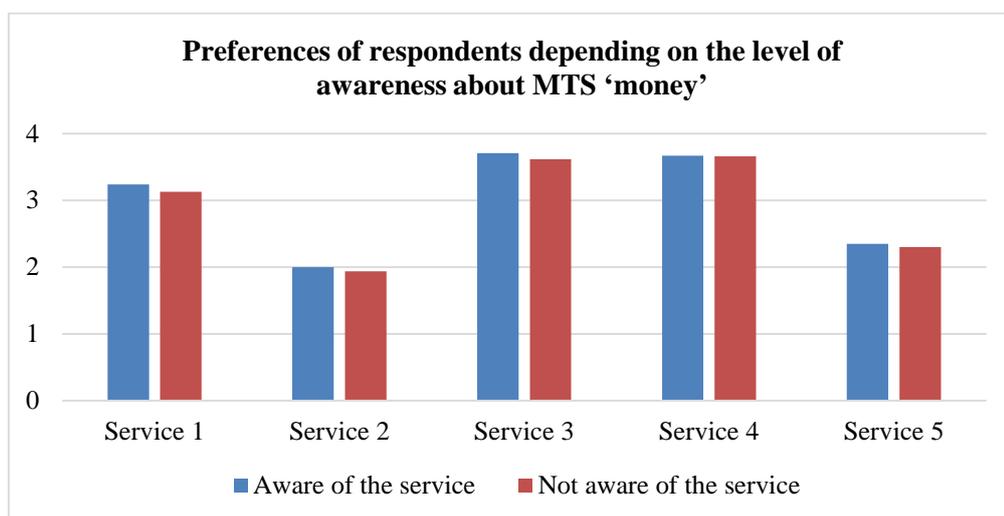


Figure 1. Preferences of respondents depending on the level of awareness about 'MTS Money'

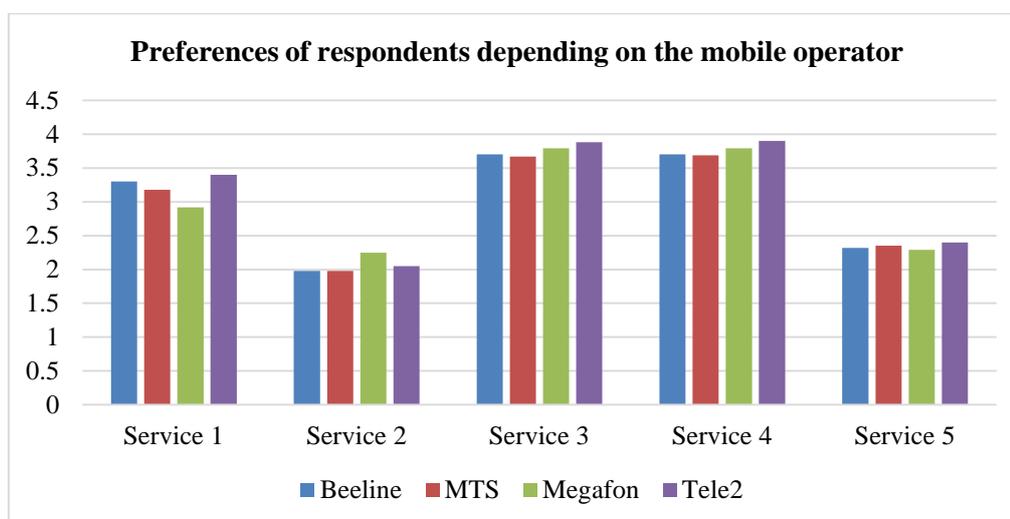


Figure 2. Preferences of respondents depending on the mobile operator

Thus, it can be seen that regardless of belonging to the first of the second group, the trend for the preference of services is the same.

5. RECOMMENDATIONS

Based on the received data, we can conclude that the younger audience of MTS has an unsatisfied need, and MTS Money can provide them the services (features) they lack:

- to not have commissions for transactions (from one card to another);
- to use the service without the internet connection from a phone;
- to pay for transit ('troika' in particular).

The problem is the lack of understanding of the new segment. The combinations of the new generation and the new technologies. To adjust the existing marketing communications in accordance with the data received. It is necessary to pay attention to the entire audience, not only the specific segment.

ISTRAŽIVANJE TRENDOVA U OBLASTI ONLAJN USLUGA MEĐU MLADIM KORISNICIMA MOBILNIH TELESISTEMA

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Izvod

U današnjem tehnološki zasićenom svetu, predstaviti neki inovativni proizvod ili uslugu je izuzetno teško. Kako bi se izdvojile od ostalih, kompanije moraju da pronađu način da osmisle nešto što nije ranije predstavljeno, ili nešto što već postoji ali na potpuno drugačijem nivou. Kako bi se predstavio proizvod ili usluga koji će biti korišćeni od strane velikog broja korisnika, neophodno je istražiti šta je potrebno krajnjim korisnicima, odnosno koje njihove potrebe nisu zadovoljene. U ovom radu je za potrebe analize odabrana kompanija MTS. MTS je vodeća kompanija koja pruža raznovrsne usluge, poput mobilnih i fiksnih telefonskih usluga, Internet pristupa, kablovskog i satelitskog TV prenosa, digitalnih usluga i mobilnih aplikacija, finansijskih usluga i e-trgovine, kao i konvergentna IT rešenja u domenu integracije sistema, Interneta stvari, monitoringa, procesiranja podataka i računarstva u oblaku (eng. cloud computing). Glavne krajnje korisnike MTS-a predstavljaju kompanije, međutim MTS želi da privuče mlađe korisnike sa kojima će direktno saradivati pružajući im širok spektar mogućnosti u oblasti onlajn i oflajn finansija. Cilj je da se ohrabre mlađi korisnici da koriste "MTS Money" servis. Svrha ovog rada jeste da identifikuje mogućnosti koje su poželjne za krajnje korisnike i način na koji one mogu biti implementirane uz usluge koje se već koriste. Ovaj rad se sastoji od tri poglavlja. Prvo poglavlje sadrži informacije o kompaniji i njenom sadašnjem fokusu; trenutne opcije i mogućnosti "MTS Money" usluge. Drugo poglavlje će biti posvećeno istraživanju stavova potrošača koje je sprovedeno u RANEPA-i. Tehnike marketing istraživanja koje su korišćene u radu obuhvataju fokus grupe i onlajn upitnike. Treće poglavlje obuhvata analizu prikupljenih podataka, glavne rezultate i nalaze. Na kraju, iznete su preporuke na osnovu dobijenih rezultata.

Ključne reči: studija slučaja, MTS, onlajn finansije, marketing istraživanje, fokus grupe

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