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**Termination notice of mobile network operator customers after a tariff switch:
An empirical study of postpaid subscribers in Germany**

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Abstract

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Proactive subscriber churn management strategies of mobile network operators (MNOs) require that steps are taken to keep customers before they hand over a formal notice of termination to their provider. Therefore, several studies have analyzed how MNO customers who gave a termination announcement differ from individuals who did not communicate this message. However, no work has examined such differences among subscribers who recently switched to another tariff of their MNO. Therefore, this paper explores socio-demographic, service consumption and tariff change differences between contract cancellation “announcers” and “non-announcers” in a sample of 1,810 postpaid customers who had changed their rate plan not long ago. Cancellation announcers were more likely to be males

who decreased their mobile voice and Internet service consumption after their tariff switch, had moved from an unmetered to a metered rate type and received no discounts on their current rate plan, that was introduced on the market some time ago. Among subscribers who gave a termination notice, early (late) cancellation announcers were more likely to be older (younger) customers with a growing (shrinking) SMS consumption after their tariff switch, had not attempted (had already tried) to leave their current MNO in the past, and were in a rate plan that was (not) recently introduced. The findings contribute to the literature on mobile customer retention and have implications for practitioners and scholars.



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