



SDI Review Form 1.6

PART 1:

Journal Name:	British Journal of Economics, Management & Trade
Manuscript Number:	2013_BJEMT_3427
Title of the Manuscript:	An Empirical Study on Consumers Preference for Mobile Telecommunication Attributes in Nigeria

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PART 2: Review Comments

	Reviewer's comment	Author's comment (if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)
<u>Compulsory</u> REVISION comments	The paper reports an attempt at investigating consumers' preferences with respect to mobile telecommunication services. Unfortunately, despite an interesting regional focus of the study, in my opinion its methodological approach does not merit publication. Major issues: 1. The paper is not well written. I suggest having it edited by a native English speaker. 2. The literature review is outdated and it misses many major methodological and empirical contributions in the field of modelling consumers' preferences, in particular for telecommunication services. 3. The link of the method selected for this study (conjoint analysis) with the economic theory allowing for estimation of consumers' utility function parameters is doubtful at best. See: Louviere, J., Flynn, T., and Carson, R., 2010. Discrete Choice Experiments Are Not Conjoint Analysis. <i>Journal of Choice Modelling</i>, 3(3):57-72. for a useful review of the problems.	Principally, the reviewer attacked the methodological approach of conjoint analysis and substantiated his comment with an article he made reference to- "Louviere, J., Flynn, T., and Carson, R., 2010. Discrete Choice Experiments Are Not Conjoint Analysis. <i>Journal of Choice Modelling</i>, 3(3):57-72". The careful review of the 16-page article supported the approach we employed rather than contradicting it. 1. There are two leading school of thought in economics-classical and neoclassical. The article so referred to is fundamentally written on neoclassical principles just as the reviewer seems to belong to the same school of thought. 2. It is worthy of note that there are no consensus on the most preferred of the two schools. Clearly the neoclassical economic approach on which the reviewer argument is based does not hold in developing nations such as Nigeria where the study was carried out. 3. Also, it is clear that the consumer behaviour theory on which the methodology is based is primarily propounded by the classical and not neoclassical theorists. Neoclassical only



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		came to fault the impracticability of some of the assumptions in certain system. This is similar to the argument of Keynesian and post Keynesian economists of the 20th century. 4. The consumer behaviour approach earlier propounded by classical economists is “cardinal approach”. Later on, the classical approach was critique and “ordinal approach” came on while other neoclassical theorists emphasized “revealed preference theory” approach on which the argument of the reviewer is based. Interestingly, the latter approach does not hold in developing nations due to several factors including institutional problems which shaped the behaviour of the consumers in the region. 5. To be specific on the appropriateness of the approach used in our conjoint analysis, the reviewer himself agrees via his choice of the article he referred to as follows: <i>“.... CM (conjoint) theory can be applied if individuals have potentially different degrees of preference for each level of each of these attributes and if they combine the preferences for each attribute level into an overall preference. Thus, traditional CM theory provides a way to study how such preferences are formed and identify processes individuals use to form them”</i> (The article, page 61) Perhaps, due to the level of cosmopolitans of the
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		reviewer and his preferred school of thought in addition to the technique he is advocating for, he said; <i>"..., but one rarely ever sees CA methods used to examine and model preference process(es) per se..." pg 61</i> Further, according to Louviere (1988, 1994) "classification of different conjoint models may be defined by the type of data collected: [1] Consumers judge profiles using metric scale; [2] consumers rank all profiles ordinally or perform the corresponding set of pairwise comparisons; [3] Only a subclass of profiles is selected by consumers for ranking, rating or a set of pairwise comparisons; [4] Choice-based conjoint modeling which is an extreme case of partial ranking in that only the profile dominating all others with respect to a certain dimension. Our study relied on the second and third classification, and not the forth as suggested by the reviewer, due to their appropriateness to this study. Besides, the method of analysis was in line with Anderson (1981, 1982) who suggested OLS-estimation at the individual level. We therefore conclude that there is nothing wrong with our methodology as what the reviewer suggested seems not to be appropriate for our study. For further clarification, see Otter & Strebinger (1998)
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<u>Minor</u> REVISION comments	1. The levels of the attributes are not clearly defined. 2. The variables in Table 4.1 could be named more intuitively 3. The abstract needs to be re-written.	The abstract have been rewritten. Attributes levels are shown in Tables 2 & 5. Other minor comment of are addressed in the methodology.
<u>Optional/General</u> comments	-	Authors have adjusted to SDI paper template in preparing the corrected version