

## **The Role of Internet Service Providers (ISPs) in Encouraging Customers to Use Their Internet Services in Iran**

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### **Abstract**

*This article aims to study the role of ISP companies in attracting and encouraging network users to use their internet services. As case study, four heading ISP companies of “Parsonline”, “Dataak”, “Asiatech” and “Shatel” in Iran were selected and the population of the study included both users of Internet service of the four ISP companies and the advertisement officials and experts of those companies. The method of the study was field survey and tools of "questionnaire" and "interview" have been used. The websites of four above-mentioned companies were also studied and analyzed with respect to the theoretical discussions.*

**Keyword:** Internet service provider, network, Parsonline, Dataak, Asiatech, Shatel

### **1. Introduction**

The Internet<sup>1</sup> is one of the Twentieth Century's most important innovations. Now, more than ever before, practically anyone can influence the duplication and dissemination of information around the world. It also offers content providers commercial opportunities that depend on close control over the access, duplication, and distribution of their works on the Internet (Yen, 2000).

The internet is a medium that lends itself in various aspects to use as a tool for relationship marketing (Geiger and Shane Martin, 1999). Thus, the interaction over the internet is often perceived as leading to a more 'direct' relationship than traditional media, especially if email is integrated within a web site (Boyle and Alwitt, 1999). It is often emphasized that an excellent service is a vital building stone for developing effective customer and partner relationships (Storbacka et al., 1994). Using the internet as a medium for service delivery — for example customer care or after-sales support — can significantly speed up service turnaround and enhance service delivery (Geiger and Shane Martin, 1999).

The main question in this study is that what relationship exists between websites advertisement methods of the ISP companies of “Parsonline”, “Dataak”, “Asiatech” and “Shatel” and the approach and the tendency of Internet and virtual media audiences in the use of online services of those companies?

### **2. ISPs and Their Role as Internet Intermediates**

Internet intermediaries are rapidly evolving in nature, scale and scope and are poised to connect an increasing number of users, information and services, and to do so at increasing speeds. It should be noted at the outset that, in addition to being very dynamic in nature, different categories of Internet intermediaries are frequently not clear-cut, with actors often playing more than one intermediation role.

Although the terms Internet service provider and ISP are in universal usage, they are potentially confusing because they do not necessarily distinguish between the underlying roles of access provider, host, and others.

In this document Internet service providers are generally meant to signify Internet access providers, which provide subscribers with a data connection allowing access to the Internet through physical transport infrastructure. 10 This access is necessary for Internet users to access content and services on the Internet and for content providers to publish or distribute material online.

ISPs may provide local, regional, and/or national coverage for clients or provide backbone services for other Internet service providers. They include 'pure-play' ISPs as well as wired and wireless telecommunications providers, and cable providers that provide Internet access in addition to network infrastructure.<sup>11</sup> Internet service providers have the equipment and telecommunication network access required for a point-of-presence on the Internet. They may also provide related services beyond Internet access, such as web hosting, web page design, and consulting services related to networking software and hardware.

ISPs are typically commercial organizations that generally charge their users – whether households, businesses or governments – a monthly fee on a contractual basis. Sometimes the fee is bundled with other services, as in the 'triple play' offered by cable and telephone companies for television, telephone, and Internet access. Laptop users in Internet cafes or wireless 'hot spots' may pay an ISP (directly or indirectly) for daily access or even hourly access. ISPs range from large organizations, with their own geographically dispersed networks, local points of presence and numerous connections to other such networks (Tier 1 providers – usually large telecommunications companies), to small providers with a single connection into another organization's network (OECD 2010).

### 3. Research Objectives

#### 3.1. Main Goals

1. Reviewing and identifying Internet advertisement attracting users to use services provided by internet websites.
1. Reviewing and identifying the impact of Internet websites by Internet service companies on users in Iran, from the perspective of communication theories.
2. Reviewing the efficacy of four companies of "Shatel", "Dataak", "Asiatech" and "Parsonline" to encourage Iranian Internet users to use their services.
3. Explaining and analyzing websites advertisement techniques of Internet service provider companies to encourage users of goods and services in Iran with a focus on four companies of "Shatel", "Dataak", "Asiatech" and "Parsonline" from the perspective of communication theories.

#### 3.2. Secondary Goals

1. Reviewing and identifying Internet websites attracting customers
2. Familiarity with Internet technologies and its applications in the fields of trade and economy
1. Familiarity with electronic commerce and the factors affecting it
2. Familiarity with the performance of Internet service provider companies in Iran and factors to attract users to the services they provide.

### 4. Research Hypotheses

#### 4.1 Main hypothesis

There is significant relationship between advertisement method of Internet service provider companies of "Shatel", "Dataak", "Asiatech" and "Parsonline" and attracting more Internet users to their online services.

#### 4.2. Secondary hypotheses

1. There is a significant relationship between graphic logo design and different website sections of the four Internet service provider companies and attracting more Internet users to their online services.
2. There is a significant relationship between the ease of website use of the four Internet service provider companies and attracting more Internet users to their online services.
3. There is a significant relationship between the interactivity (communication and collaboration between users and company management) of the four Internet service provider companies and attracting more Internet users to their online services.
4. There is a significant relationship between the intellectual and social capital (brand value, reputation for quality, specific innovation) of the four Internet service provider companies and attracting more Internet users to their online services.

**5. Research Spatial Domain**

The research was conducted in Tehran and included all users of the Internet service provider companies of "Shatel", "Datak", "Asiatech" and "Parsonline" as well as advertisement experts and managers of the companies.

**6. Research Time**

The research was conducted in the year 2013.

**7. Research Method**

**Data collecting method and tools**

In this study , field methods and tools of "questionnaire" and "interview" have been used. The websites of four above-mentioned companies were also studied and analyzed with respect to the theoretical discussions.

**7.1. Data analysis method**

In this study, SPSS software was used to analyze the data collected from the questionnaires. Also, using the "comments of officials and experts in Internet advertisement of the four service provider companies" as well as the results obtained from the analysis of the companies' websites, the current situation was describe and then the hypotheses were tested

**7.2. The research population and sample**

The population of this study included two groups of users of Internet service of the four companies of "Shatel", "Datak", "Asiatech" and "Parsonline" and the advertisement officials and experts of those companies.

To determine the sample, according to the population size, as for each of the four companies a total of more than 100 thousand people were counted, Cochran formula was used. The sample size was calculated nearly 384 people for each of the companies. The number 400 was chosen ultimately as the sample for each of the four companies. Questionnaires were distributed in a simple random sampling method. Also, in the interview with the four companies' officials and experts in advertising, with the consensus of theoretical saturation, 5 people in each company, i.e a total of 20 people were selected.

**8. Table of Variables**

Table 1 shows the relations between variable, components and indicators which are considered in setting the questionair.

<b>Variables</b>	<b>Components</b>	<b>Indicators</b>
Dependent 1: more Internet users use and refer to online services of the ISP companies	Advertisement technics used by ISP companies of "Shatel", "Datak", "Asiatech" and "Parsonline"	
Independent 1: Internet advertisement of websites of the ISP companies of "Shatel", "Datak", "Asiatech" and "Parsonline"	Advertisement technics used by ISP companies of "Shatel", "Datak", "Asiatech" and "Parsonline"	-Designing graphic logo and different parts of the website -Ease of use of the website -Interactivity -Intellectual and social capital

**Table 1: Research variable, components and indicators**

**9. Findings from Hypotheses Testing**

The main hypothesis and four secondary hypotheses of this research were tested and the following findings were obtained:

The first hypothesis of this study is based on Falger theory and interaction and exchange communication models. In this hypothesis, the Internet advertising was considered as a factor that would eventually encourage user interaction with.

In sub- branches of secondary hypotheses, in addition to theoretical discussions about the interaction, the models of "Yoo" and "Jin" has been used from the twelve characteristics of effective websites, as well as the three components of determining intellectual and social capital, which are analyzed for a brand.

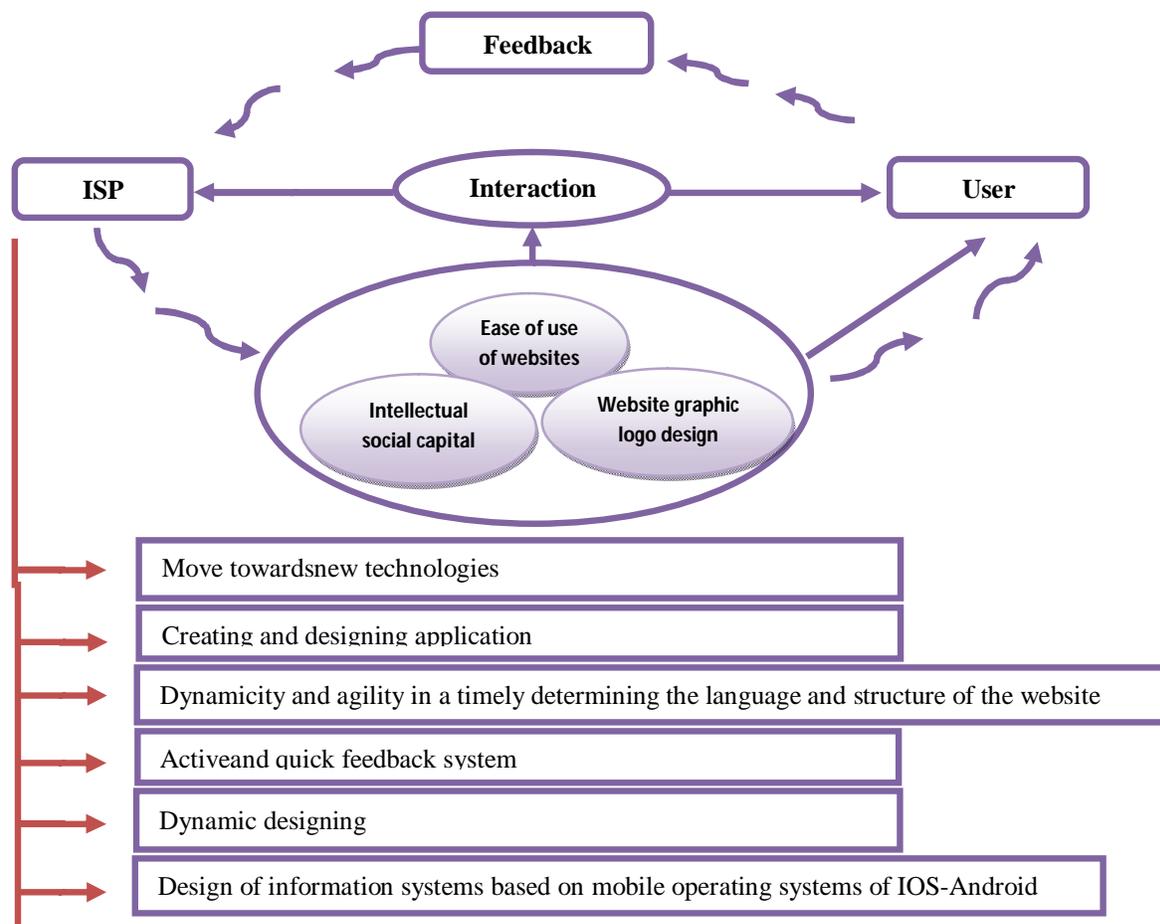
The following results were obtained from the users' attitude:

Regarding that this research has studied the four ISP companies, it needed to investigate that if there was a significant difference among the four factors of designing graphic logo and different parts of the website, ease of use of the website, interactivity and intellectual and social capital. Since the number of the factors are four, and the ISP companies make a group with four categories, these differences can be assessed through multivariate variance analysis.

1. According to ANOVA results there is a significant difference for all four variables of the research are in the four ISP companies.
2. There is a significant difference in designing graphic logo and different parts of the website in the four ISP companies.
3. There is a significant difference in ease of Internet use in the four ISP companies.
4. There is a significant difference in interactivity (communication and collaboration between users and company management) in the four ISP companies.
5. There is a significant difference in the intellectual and social capital (brand value, reputation for quality, specific innovation) in the four ISP companies.
6. In terms of the indicator of designing graphic logo, the company of "Parsonline" has the best average, and then the companies of "Datak", "Asiatech" and "Shatel" are determined in order.
7. In terms of the indicator of ease of website use, the company of "Datak" with a slight difference with "Parsonline" has the best average. And then, the companies of "Asiatech" and "Shatel" are determined in order.
8. In terms of the indicator of interactivity (communication and collaboration between users and company management), the company of "Parsonline" has the best average, and then the companies of "Datak", "Asiatech" and "Shatel" are determined in order.
9. In terms of the indicator of intellectual and social capital (brand value, reputation for quality, innovation, specific innovation), the company of "Parsonline" has the best average, and then the companies of "Datak", "Shatel" and "Asiatech" are determined in order.
10. In general, it can be concluded that the company of "Parsonline" in three variables of designing graphic logo, interactivity and social and spiritual capital has the highest average and the company of "Shatel" has the lowest average in three variables of designing graphic logo, interactivity and ease in website use. The company of "Datak" has the highest average in the variable of ease of use of the website and the company of "Asiatech" has the lowest average in the variable of Intellectual and Social Capital.
11. In the websites of all of the four ISP companies, there is a significant relationship between logo graphic design and different parts of the websites and web users to visit the web and use the online services.
12. In the websites of all of the four ISP companies, there is a significant relationship between the ease of use of websites and web users to visit the websites to use its online.
13. In the websites of all of the four ISP companies, there is a significant relationship between interactivity (communication and collaboration between users and company management) and the company's users to use its online services.
14. In the websites of all of the four ISP companies, there is a significant relationship between the intellectual and social capital (brand value, reputation for quality, specific innovation) and the company's users to use its online services.

### **10. Model for Internet Service Provider Databases**

Figure 1 shows the factors which affect managing and organizing ISP affairs. It is designed based on an interactive websites.



**Figure 1: Model for ISP databases**

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